



2012

ANNUAL DINNER & AWARDS CEREMONY

WELCOME

John Citizen

The University of Melbourne



THE UNIVERSITY OF
MELBOURNE



THE CENTRE FOR ACCOUNTING AND INDUSTRY PARTNERSHIPS



WELCOME

Tonight, Friday October 19, 2012, we honour some of Australia's most distinguished accounting practitioners and academics who have been adjudged to have made a significant contribution to accounting in Australia, past or present.

All of our inductees exemplify the profound wealth of accounting expertise that exists in Australia. These individuals have shaped, and continue to shape, the profession with their remarkable achievements inspiring generations of like-minded accounting practitioners and academics.

THE AUSTRALIAN ACCOUNTING HALL OF FAME

HISTORY

Accounting in Australia has a long and distinguished heritage. Organised accounting dates from the late 19th Century and the mid-20th Century is often seen as the golden age of the profession as it commenced a maturing process that arguably continues to this day.

Throughout this long and distinguished history there have been many individuals whose achievements have been significant and whose impact on the development of the discipline has been profound. The Australian Accounting Hall of Fame seeks to pay tribute to those considered to be pre-eminent within the discipline.

ESTABLISHMENT

The Department of Accounting in the University of Melbourne established the Australian Accounting Hall of Fame. The affairs of the Hall of Fame are managed by the Centre for Accounting and Industry Partnerships within the Department.

MISSION

The Australian Accounting Hall of Fame honours and celebrates the most distinguished accounting practitioners and academics who have made a significant contribution to the advancement of accounting in Australia, past or present.

MAJOR SPONSORS

The Centre for Accounting & Industry Partnerships extends its warmest appreciation and thanks to the major sponsors of the 2012 Australian Accounting Hall of Fame Dinner and Awards Ceremony for their support and assistance.



CPA AUSTRALIA

CPA Australia is one of the world's largest accounting bodies with a membership of more than 139,000 finance, accounting and business professionals. Core services include education, training, technical support and advocacy.

The CPA designation is recognised globally, with members in 114 countries. Of these, more than 11,000 hold CEO, CFO or business owner roles.

With an ongoing commitment to integrity, excellence and innovative thinking, CPAs are at the forefront of strategic business leadership.



**Institute of
Chartered Accountants
Australia**

INSTITUTE OF CHARTERED ACCOUNTANTS AUSTRALIA

The Institute is the professional body for Chartered Accountants in Australia and members operating throughout the world. Representing more than 70,000 current and future professionals and business leaders, the Institute has a pivotal role in upholding financial integrity in society.

Chartered Accountants hold diverse positions across the business community, as well as in professional services, government, not-for-profit, education and academia. The leadership and business acumen of members underpin the Institute's deep knowledge base in a broad range of policy areas impacting the Australian economy and domestic and international capital markets. Members strive to uphold the profession's commitment to ethics and quality in everything they do, alongside an unwavering dedication to act in the public interest.

The Institute is a founding member of the Global Accounting Alliance (GAA), which is an international coalition of accounting bodies and an 800,000-strong network of professionals and leaders worldwide.

THE SELECTION COMMITTEE

The Australian Accounting Hall of Fame selection committee is an independent committee which consists of some of the most influential and respected accountants from academe, accounting practice, government and business from around Australia.

Their task is to elect the most distinguished accounting practitioners and academics who are considered to have made a significant contribution to the advancement of accounting in Australia. Committee members serve a five year term and are eligible for consecutive terms. Committee members act in an honorary capacity. The committee cannot include any member who is a direct subject of a nomination to the Australian Accounting Hall of Fame. Should such a situation arise, either the nomination must be withdrawn or the committee member must stand down from the committee for that nomination cycle.

SELECTION COMMITTEE MEMBERS



Phillip Cobbin (Chairman)
Senior Lecturer
The University of Melbourne

Keith Alfredson
Past Chairman
Australian Accounting
Standards Board

S. Dianne Azoor Hughes
Partner
Pitcher Partners

David Boymal AM
Past Chairman
Australian Accounting
Standards Board

Philip Brown AM
Professor
The University of Western Australia
The University of New South Wales

Geoffrey Burrows
Associate Professor
The University of Melbourne

Rob Chenhall
Professor
Monash University

Graeme Dean
Honorary Professor
The University of Sydney

Michael Gaffikin
Emeritus Professor
University of Wollongong

Jayne Godfrey
Professor
The Australian National University

Phil Hancock
Professor
The University of Western Australia

Bryan Howieson
Associate Professor
The University of Adelaide

Annette Kimmitt
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Lee Parker
Professor
University of South Australia

Brett Rix
Manager Group Accounting -
Policy and Governance
BHP Billiton

Kevin Stevenson
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Standards Board

Ken Trotman
Professor
The University of New South Wales

Brian West
Professor
The University of Ballarat

Jan West AM
Non executive Director

Peter Wolnizer OAM
Emeritus Professor
The University of Sydney

Ian Zimmer
Professor
The University of Queensland



RUSSELL MATHEWS AO CBE

(1921-2000)

Russell Mathews was born in 1921 in Geelong and attended Haileybury College in Melbourne, where he was dux of the school. He went straight from school to work and studied accountancy at night school in order to obtain a qualification. He saw Army service in New Guinea and Bougainville. He rose to the rank of Captain, was cited for bravery and bore the consequences of a serious war-time leg injury for the rest of his life.

CITATION READ BY

Philip Brown AM

Professor, UNSW
Emeritus Professor, UWA

NOMINATION PREPARED BY

Philip Brown AM

Professor, UNSW
Emeritus Professor, UWA

After the war, he enrolled in the University of Melbourne under the Commonwealth Reconstruction Training Scheme graduating in 1950 with a Bachelor of Commerce (Honours) degree. His major study was in economics with a substantial accounting content. He took some accounting subjects which were taught by A.A. Fitzgerald (AAHoF 2010) and Lou Goldberg (AAHoF 2011) that enabled him to qualify for membership of the Commonwealth Institute of Accountants. Following graduation he moved to Canberra to become a personal assistant to Sir Douglas Copland, the first Vice Chancellor of the recently established Australian National University. In 1953 he went to the University of Adelaide as reader in commercial studies where he was given responsibility for courses in public administration and public finance, as well as accounting and commercial law. Although accounting had been taught at the university since 1902, Mathews was effectively the first full-time teacher of accounting. The distinctive features that he introduced into his first-year accounting syllabus were replacement cost accounting and consolidations.

The text that Mathews wrote in 1962 carried the title *Accounting for Economists* and reflected his preferred emphasis on the education of economists. This stance was made easier by the fact that the South Australian Institute of Technology, with its own School of Accountancy, was situated immediately adjacent to the University and that it would have been inefficient for the two institutions to run very similar courses. Since the Institute was committed to providing courses leading to professional accountancy qualifications, it was decided that the University's programme should emphasise the needs of students who did not necessarily intend to take up accounting as a profession. The second unit in the accounting stream of the Bachelor of Economics course treated the managerial uses of accounting, and the third year was intended mainly for future accountants, but the work in accounting theory was solidly grounded in economic theory. In 1953, Mathews indicated the objectives, and structure of the new courses in accounting should be influenced by two broad considerations:

- first, the need to go back to first principles and provide where possible a theoretical basis for the practical work in accounting methods, and
- second, the need to relate our courses in accounting to the work done in the social sciences of economics, law, statistics, political science, etc. The emphasis throughout will be on theory and principles rather than on techniques, and the approach will be logical rather than mechanical.

In 1962, the year in which he published *Accounting for Economists*, Mathews elaborated on his strong views regarding university education in accounting suggesting university work in accounting should be analytical rather than merely descriptive ... must be intellectually challenging, ... and have a place on the advancing frontier of knowledge ... [as] one of the basic social sciences [and] not merely the hand-maiden of economics.

His first published article, written while he was an undergraduate student, was *Government Accounts for Social Accounting* (1948). In 1951, his 12th Commonwealth Institute of Accountants' research lecture was titled *New Horizons in Accounting: The Application of Accounting Techniques to Problems of Social Accounting* (1952). Five years later, he gave the Australian Society of Accountants' research lecture at the University of Melbourne on *Government Accounts and Social Accounting* (1957). In 1958, Mathews was promoted to become Adelaide's first professor of commerce. He was instrumental in establishing a Master of Business Management degree which was to comprise two years of full-time study followed by a thesis. Also in 1958, Mathews played an active role in the founding of what was to become, two years later, the Australian Association of University Teachers of Accounting (AAUTA; present day Accounting and Finance Association of Australia and New Zealand) serving as president in 1963. Mathews' first book, (co-authored with John McB Grant), *Inflation and Company Finance*, published in 1958 presented a statistical analysis of the accounting effects of inflation on

“ Mathews elaborated on his strong views regarding university education in accounting suggesting university work in accounting should be analytical rather than merely descriptive ... must be intellectually challenging, ... and have a place on the advancing frontier of knowledge ... [as] one of the basic social sciences [and] not merely the hand-maiden of economics. ”

Australian company profits and finances during the years of post-war inflation. It was said to be the first study in Australia of the impact of inflation on corporate profits and finance. Both in *Inflation and Company Finance* and *Accounting for Economists*, Mathews advocated the use of valuation adjustments for stocks and fixed capital assets eschewing the application of a general price level index to historical cost data. Mathews contributed to the writing of the chapter that dealt with accountancy education in the Martin Report on the future of tertiary education (1964), and in the following year criticised the Vatter Report (1964) that had been sponsored by the professional accountancy bodies because it proposed a continuing intrusion by the bodies into the educational policies and practices of the universities. Mathews favoured a liberalised undergraduate program in which students would study, in conjunction with accounting, such related disciplines as economics, statistics, mathematics, law and the behavioural fields, with a requirement that they study in depth some of these latter subjects. His view was that the primary role of the universities was to develop accounting as an academic subject. He was firmly of the belief that the accounting bodies role should be in the field of professional education at the postgraduate and not the undergraduate level.

In 1964, the Australian National University announced a new department of accounting and public finance. Mathews applied for and received the new chair. He continued his interest in accounting, although, with the founding in 1972 of the Centre for Research in Federal Financial Relations, of which he became director, the larger questions of public finance came to occupy almost all of his time and interest. Between 1965 and 1972 he published his last four articles on accounting theory, including one on methodology, with John W. Buckley and Paul Kircher (1968). Between 1965 and 1972, Mathews served on the Accounting and Auditing Research Committee of the Accountancy Research Foundation. In 1971 he wrote *The Accounting Framework*, a textbook styled as a revised edition of *Accounting for Economists*.

Russell Mathews was keenly sought after by governments of both persuasions for advice on all matters to do with taxation and fiscal federalism. In early 1970s, a decade of mounting inflationary pressures, Mathews chaired an Australian Government committee to study the effects of inflation on taxation. Among the recommended reforms in the report were a stock appreciation adjustment and a depreciation valuation adjustment, both on a replacement cost basis which dovetailed with the argument that Mathews had been making for profit measurement since the 1950s. Mathews served as a consultant to government bodies as well as a member or chairman of a number of other Government commissions and committees of enquiry including the Review of the Accounting Discipline in Higher Education which he chaired. The review panel's report, rendered in 1990, made sweeping

recommendations with respect to funding, degree structure, teaching and research.

During his long service on the Commonwealth Grants Commission, from 1972 to 1990, he was a firm believer in normative approaches to economic enquiry that would assist in policy analysis strongly supporting the need for social justice and full employment. In this regard he was an advocate of Keynesian policies for macro-economic management and Galbraithian policies for public sector infrastructure.

During his long career, Russell Mathews wrote or edited 43 books, produced 47 official reports, and wrote in excess of 250 articles encompassing accounting theory and education, fiscal federalism, taxation theory and policy, and public expenditure theory and policy. His long-time colleague and friend A.D. Barton remembered him as a gentleman in every way, always polite, considerate, compassionate, friendly, reliable, a great person to work with, never autocratic, leading by example, understanding and kindness, and was always approachable.

In recognition of his contribution to university education and scholarship Russell Mathews was elected as a Fellow of the Academy of the Social Sciences in Australia in 1959. His public service was further recognised in 1978 with him being made Commander of the British Empire (CBE). A further approbation saw him made an Officer of the Order of Australia (AO) in 1987. On his retirement from Australian National University Russell Mathews was rewarded with the title *Emeritus Professor* in 1986.



SIR EDWIN NIXON CMG

(1876–1955)

Edwin Van-der-Vord Nixon was born in 1876 at St Héliier, Jersey in the Channel Islands. His family emigrated to Brisbane in 1882 where he was educated locally. Nixon was appointed a pupil-teacher at South Brisbane State School in April 1891 and at the age of 18 became the head (and only) teacher at Raglan Creek Provisional School. From 1895 he was an assistant-teacher, first at Mount Morgan and then at schools in Brisbane.

CITATION READ BY

Geoff Burrows

Associate Professor
The University of Melbourne

NOMINATION PREPARED BY

Geoff Burrows

Associate Professor
The University of Melbourne

After resigning from the Department of Education in 1897, Nixon's career in accountancy started with a course of study that led, in 1901, to admission as a member of the British Society of Accountants and Auditors in 1901. He moved to Melbourne and worked for a firm of accountants before establishing his own practice in 1912. He joined the General Council of the Australasian Corporation of Public Accountants in 1919 and was instrumental in obtaining the Royal Charter as the precursor to the formation, in 1929 of the Institute of Chartered Accountants in Australia (ICAA).

Nixon's professional life, which was long and successful can be separated in several ways – academic and author; peace-time public service; war-time public service; service to the profession and private business activities including accounting practice.

At the University of Melbourne, Edwin Nixon was an important contributor to the development of accounting education. As the nominee of the Joint Council of Accountancy Bodies of Victoria, he served as a member of the committee which, in 1924, developed the curricula and regulations for the new Faculty of Commerce at the University. He continued as the representative of the Joint Council from 1924–31. The minutes of the Faculty of Commerce show that Nixon was a regular attendee and often liaised on behalf of Faculty with the three accounting bodies that constituted the Joint Council. He was particularly interested with matters concerning the reciprocal recognition of professional and university examinations.

Although senior partner in his busy city practice, Nixon was also a part-time academic and lecturer-in-charge of accounting in the University from 1925–29. While his direct teaching role was limited to 15 lectures per year, there is no doubt that his prestige as one of the leading Melbourne accounting practitioners helped to establish the credibility of the new Bachelor of Commerce degree and the status of accounting as a specialisation within the degree. It is also almost certain that he was instrumental in the appointment of A.A. Fitzgerald (AAHoF 2010) as his assistant lecturer, the first step in Fitzgerald's rise *inter alia* to becoming the University's and Australia's first professor of accounting.

Given his other responsibilities, the list of Nixon's selected publications indicates that he was a remarkably prolific author over topics ranging from accounting history, holding companies and budgetary control. However, probably his most enduring contributions was a set of articles on professional ethics in the *Accountant in Australia* in 1931–32, which were then compiled into a booklet *The Ethics of the Accountancy Profession* and updated by him in 1937 as *The Code of Ethics*. This publication remained the ICAA's principal resource on this topic until the late 1950s. Despite the evolution of university studies in accounting from the 1920s, the major means of entry into the accounting profession for the next four decades remained the examinations of the professional accounting bodies. Nixon also contributed to the education of students taking this route into the profession. Two of his selected publications in 1924 and 1928 were based on lectures he delivered to the Student Society of the Commonwealth Institute of Accountants.

Prior to World War 2 Edwin Nixon was called upon to provide his expertise on a number of occasions for commissions of enquiry including:

- Royal Commission on Taxation 1932–34,
- Royal Commission on the Monetary and Banking system 1935–37,
- Three public enquiries in 1938 examining
 - the film industry,
 - the granting of small loans and
 - aspects of taxation (federal).

The first of the Royal Commissions was undertaken by Nixon and the Hon. D.G. Ferguson, a retired judge of the NSW Supreme Court. In this period the States still levied their own income taxes and

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the Commission's terms of reference were, *inter alia*, to 'inquire into and report upon the simplification of the taxation laws of the Commonwealth'. The commissioners' recommendations regarding uniformity between the jurisdictions were praised and 'largely accepted by all Australian governments'. The recommendations relating to the taxation of company profits and dividends largely endured until the advent of dividend imputation in 1987.

Established in the aftermath of the banking and financial-system failures which occurred during the 1930s Depression, the second Royal Commission was much broader in scope than the taxation enquiry. It recommended increased power of the Central Bank over trading banks through minimum liquidity and deposit requirements and was the catalyst for the Commonwealth Bank establishing a mortgage department designed to provide long-term finance to the rural sector.

During World War 2 Nixon provided service to the Federal Government as:

- Chairman of the Accountancy Advisory Panel established in the Department of Supply and Development, 1939-40;
- Member, Board of Business Administration, Department of Defence Co-ordination, 1940;
- Director of Finance, Department of Munitions, 1940-45.
- Member, Aircraft Advisory Committee, Department of Aircraft Production, 1941.

References to Nixon's work in three separate volumes of Australia's official World War 2 history (Butlin, 1955; Mellor, 1958; Butlin and Schedvin, 1977) suggest that his was the most important single contribution. In mid-1939 Nixon was selected, on the personal recommendation of the Prime Minister of the day R.G. Menzies as chairman of an accountancy advisory panel that was established within the newly created Department of Supply and Development to monitor 'matters relating to arrangements for ascertaining costs and for the control and limitation of profits in relation to the production of munitions for profit on private premises'. The panel worked for a short period of eleven months at the end of which it prepared a key pamphlet titled *Standard Conditions Applicable to Contracts on a Cost plus Profit Basis*. The pamphlet was the panel's lasting legacy as it was adopted by Nixon in his next war-time role and used extensively in the vast munitions industry that developed through the middle years of the war. Following the demise of the panel Nixon was appointed Director of Finance in the newly created Department of Munitions. In this role he supported the Director-General of Munitions Essington Lewis, playing a major role in the design, codification and monitoring of procurement contracts entered into by the Department with private contractors whose 'annexes' (civilian facilities used to produce war materials) supplemented the output of Government Ordinance Factories. The

relevant contracts were written on a cost-plus basis raising a range of incentive, measurement and contextual problems, ultimately requiring the adoption of four different versions of cost-plus. The indications are that Nixon and his staff handled these problems with distinction. Lewis, the peacetime chairman and managing-director of BHP Ltd, worked closely with Nixon throughout the war and the fact that Edwin V. Nixon & Partners became joint auditors of BHP in the post-war period should be interpreted not as cronyism, but as evidence of Lewis's high regard for Nixon's capabilities. Like Lewis, Nixon performed his wartime duties at no cost to the Government.

E.V. Nixon's contribution to the accounting profession is similarly impressive but not unusual for a man of such stature. He was variously,

- General Councillor, Australasian Corporation of Public Accountants, 1919 -28;
- Chairman, Victorian Division, Australasian Corporation of Public Accountants, 1922 -23;
- Foundation Councillor and later General Councillor, Institute of Chartered Accountants in Australia, 1928-37;
- Chairman, Victorian Division, Institute of Chartered Accountants in Australia, 1932-36.
- Vice-Chairman, Executive Committee, Australasian Congress on Accounting, 1936.

In these capacities he was a major figure in the evolution of the accounting profession in the inter-war years, particularly in relation to the formation and expansion of the Institute of Chartered Accountants in Australia of which he was a founding charter member.

As an accounting practitioner he was principal of the firm Edwin V. Nixon & Partners from the firm's inception in 1912 until his death in 1955. Under his leadership the firm became one of Australia's leading accounting firms, initially only with a Melbourne office, but from 1941 into a national firm through a series of association agreement with interstate firms. In 1957, the firm became the Australian arm of the international firm, Arthur Young & Company, a predecessor firm to the present day Ernst & Young.

Inspired by the role and success of International Congresses in Accounting in 1904 (St Louis), 1926 (Amsterdam), 1929 (New York), and 1933 (London), the three major Australian accounting bodies began planning in 1934 for an Australasian congress which was eventually held in Melbourne during March 1936. As Vice-President of the Executive Committee, Nixon played a major role in the organisation of the Congress at which he also delivered one of the eight papers presented as well as chairing one of the technical sessions.

Sir Edwin's portfolio of directorships included:

- Thompson's Engineering and Pipe Ltd, Castlemaine (director 1925-55, chairman 1931-55);

- Noske Ltd (director and chairman 1931–55);
- Moulded Products Australasia (subsequently Nylex Ltd), chairman 1936–55.

Nixon purportedly served on the boards of Thompsons's Engineering and Noske as the nominee of the National Bank of Australasia after helping rescue these companies from 'serious financial trouble'. Interestingly Nixon's corporate involvements occurred at a time when auditors could serve as directors of public companies which were also audit clients. Sir Edwin was also instrumental in the creation of Drug Houses of Australia Ltd (DHA), a merger of hitherto competing drug manufacturers and wholesalers in capital cities. His valuations provided the basis for the capital shares allocated to the different parties in the merged entity.

Colleagues recall that Nixon had the misfortune to lack a sense of humour, and that he had a saturnine countenance giving an impression of impending doom. His high principles and unbending manner would later cause him to lead two walkouts of Victorian members from meetings of the General Council of the ICAA. His academic subordinate, A.A. Fitzgerald, would later describe how at the first lecture Fitzgerald gave at the University in 1925, Nixon ostentatiously sat in the front row observing, but also perusing business papers which he occasionally tore up much to Fitzgerald's intense annoyance.

Despite Fitzgerald's irritation with Nixon's conduct in the lecture theatre and differences in temperament and professional orientations between the two men, the pair's collaborations in the pre-World War 2 period were enormously beneficial to both student and professional accountants. Their *Some Problems of Modern Accountancy* has claims to be considered the first critical and research-oriented monograph in the Australian accounting literature. Nixon's series of articles about ethics occurred when Fitzgerald was editor of the *Accountant in Australia* and likely arose from agreement between them about the importance of the topic, a collaboration continued with their joint presentations on budgetary control to a meeting of the ICAA Research Society in 1935. Similarly, both were key organisers of and presenters at the 1936 Australasian Congress of Accounting.

Edwin Nixon has been described as a 'colossus of the accounting profession'. Ordinarily, such statements can be treated as hyperbole but in Nixon's case there seems to be little exaggeration. As an educator he was a key figure in the development of the accounting discipline at the University of Melbourne while, simultaneously contributing to the education of trainees entering the profession by the traditional route of professional exams. As an author in the era of normative research he was surprisingly prolific given the scope of his other activities and he was particularly influential in the area of professional ethics. In professional practice, the eponymous firm which he founded became a

major presence in Australia before its transformation into the Australian arm of Arthur Young & Company in 1957. Related to accounting practice were the substantial directorships he held, in at least two cases as a result of successfully rescuing companies from financial distress. Within the accounting profession, he was a significant figure in the development of the Institute of Chartered Accountants in Australia and its precursor body, the Australasian Corporation of Accountants. In the public arena his work on important Royal Commissions in the inter-war period influenced the structure of Australia's taxation and financial systems. Overshadowing all these achievements was his wartime role as Director of Finance in the Ministry of Munitions.

Shy and reserved in manner, Nixon displayed a prodigious capacity for well-directed work. When he established his practice he chose the code-word 'Methodical' for his telegraphic address. His professional philosophy was encapsulated in the conclusion to his lecture, *Business Finance* (1930): 'In the long run, the successful business is that which makes fewest mistakes'.

A man of such tremendous achievements is always afforded due recognition. Among many others Edwin Nixon was made a Companion of the Order of St Michael and St George (CMG) in 1935 and later elevated to Knight Bachelor in 1951.



MURRAY WELLS

Murray Wells completed his Bachelor of Commerce and Master of Commerce degrees at the University of Canterbury before joining the University of Sydney in 1967. He was the first person to complete a PhD under the supervision of Ray Chambers (AAHoF 2010). He was appointed to the second Chair in Accounting in 1973 the only other professor appointed during Chamber's tenure at the University of Sydney. Murray Wells remained a Professor of Accounting at Sydney until his retirement in 1997. During that time he also served as Dean of the Faculty of Economics and was the Foundation Director of the Graduate School of Business in the University of Sydney.

CITATION READ BY

Graeme Dean

Honorary Professor
The University of Sydney

NOMINATION PREPARED BY


John Roberts

Professor
The University of Sydney

Murray Wells has published in many of the world's top accounting journals. He has also published in Australia's leading economics journal, a number of professional journals, and in newspapers. Additionally, he has published and edited a number of books. His PhD thesis was published by the Center for International Education and Research in Accounting at the University of Illinois (1978) under the title *Accounting for Common Costs* and earned the "Hourglass Award" from the Academy of Accounting Historians for the best book on accounting history published in 1978. It was translated into Japanese in 1992. His publications address a number of themes which draw on a deep understanding of history. In his thesis and in subsequent publications, Wells drew attention to the lack of reliability and usefulness of allocated overhead costs. With others he played a significant role in a major paradigm shift regarding the way in which accountants deal with overhead costs. No longer do accountants treat allocated costs as if they are "facts", but now accept that they are arbitrary or, in Thomas's terms, "incorrigible". He was the first to draw on history and the experiences of engineers and to focus on "activities" as the basis for cost attribution – a theme which is seen in many of his publications and presentations and which was later promoted widely as Activity Based Costing. Murray was honoured when he was invited to contribute a paper for *Emeritus Professor Paul Garner's festschrift*, published by the Academy of Accounting Historians in 1991, on the occasion of Garner's retirement from the University of Alabama. Garner was the doyen of the history of cost accounting. Murray's *Bibliography of Cost Accounting to 1914* (1978) – a major collection of "quotable quotes" from the cost accounting literature, including contributions from engineers, economists and manufacturers is still widely cited and is to be made available through the Academy of Accounting Historians' website in 2012. Following Chambers, Murray used the Kuhnian notion of "revolutions" to explain significant shifts in scientific thought. His subsequent paper, *A Revolution in Accounting Thought?* was the lead article in the July 1976 issue of *The Accounting Review*. It has been widely cited (and 30 years later is still being cited) and has been used since as a model which helps to explain the paradigm shift occurring with respect to the values placed on assets in financial reports. A third theme, which is closely related to the overhead problem and the valuation of inventories, has been the wider question of asset values in financial reports. Murray has been a keen exponent of Chambers' Continuously Contemporary Accounting and has lectured and published widely on the subject.

When Murray Wells joined the University of Sydney in 1967, the journal *Abacus*, which had only been launched two years earlier had a reputation for academic rigour. It has remained Australia's leading internationally recognised academic accounting journal due in no small part to Murray's editorship from 1977 to 1996. This period of twenty years as a mainstream journal editor is matched by only a very few people in the scholarly community. The editorship embraced a wider role. In order to keep the academic community abreast of developments and trends in journal publishing, for many years Murray joined fellow editors of *The Accounting Review*, *Journal of Accounting Research* and *Accounting, Organisations and Society* in panel discussions at major international conferences, particularly in the US. He was also active in conducting workshops at American Accounting Association and European Accounting Association Conferences to assist younger academics endeavouring to publish in top journals.

Murray Wells has played a key role in many national and international organisations. He was closely involved in the formation of the International Section of the American Accounting Association and was the Pacific Area Co-Ordinator of the Section from 1988 to 1994. Similarly, he was a Founding Trustee of the US based Academy of Accounting Historians and he convened the Third International Conference on Accounting History in Sydney in 1988. He served on the Board of Nominations of The University of Ohio Accounting Hall of Fame for more than 20 years. He was an External Advisor to many universities and



professional bodies in Asia, including the Accounting Standards Review Panel of the People's Republic of China in 1985, which was appointed to consider the world's first standard on the content and structure of the Balance Sheet.

Perhaps Murray's most important contribution has been in the development of the International Association for Accounting Education and Research (IAAER). The IAAER was founded in 1984 to serve as a co-host for the Sixth International Conference on Accounting Education. Murray was a member of the Founding Committee. It was on Murray Wells' suggestion the IAAER became a federation of national academic bodies and established itself as a counterpart to the IFAC. He also suggested that IAAER continue to organise the international congresses every five years and provide an international focus for academic accountants around the world. Murray Wells assumed the presidency of IAAER in 1987. Under his leadership a key element of the organisation was a commitment to assist accounting academics in emerging economies to join the international community of scholars.

Murray also served on other bodies and in a myriad other capacities:

- CPA Australia:
 - State President,
 - National Councillor,
 - Chair of National Education and Membership Committee, 1990-94
 - President of the Australian and New Zealand Academy of Management
 - Member of the NSW Science and Technology Council, 1992-95
 - Chair - Centre for Management and Organisation Studies at the University of Technology, Sydney, 2007-11.
- Within the University of Sydney Murray Wells has variously been:
- Dean of the Faculty of Economics,
 - Foundation Director of the Graduate School of Business, and
 - Professor of Accounting - appointed to the Arthur Young Chair of Accounting, 1985 (later Ernst & Young Chair)

Appointment to Ernst & Young Chair was significant in two respects - it was the first named Chair in Accounting in Australia and the financial support provided a major part of the seed funding which enabled Murray to establish, within the University of Sydney, the University of Sydney Accounting Foundation and the R J Chambers Research Lecture. The Foundation was the first of its kind in Australia and continues today as a vital supporter of research in accounting and as an important link with the accounting profession. Murray also re-invigorated the Pacioli Society which had been discussed in the late 1950s, and finally established by Chambers in early 1963. Its activities had waned until it was revived in 1968 with Murray as Secretary. The

Pacioli Society today provides an important link with practitioners and a forum for discussion of matters of topical interest.

Murray has had a major influence on accounting education in Australia and internationally. He has been an international consultant and he introduced a number of innovations in the teaching of accounting. Murray taught at all levels within the accounting program at the University of Sydney, but took particular interest in the first year. As a Professor of Accounting he believed that it was incumbent upon him to teach some part of the first year course. Prior to the 1970s, all undergraduate teaching comprised two or three one-hour lectures and one tutorial per week. Murray introduced a series of two hour workshops which were devoted to practical instruction. Other universities followed suit. Murray was also instrumental in obtaining a dedicated IBM computer laboratory for the Faculty of Economics in 1984 - the first of its kind in Australia. He was the first to suggest a system later known as "income dependent loans" for local student fees. He also chaired the main Australian professional bodies' Accounting Competencies Task Force which oversaw the mammoth task of documenting skills and competencies expected of professional accountants.

The Institute of Chartered Accountants in Australia and CPA Australia jointly appointed him to oversee the accreditation of off-shore teaching programs leading to students gaining advanced standing at universities in Australia. He visited many teaching facilities throughout Asia and played a major role in establishing acceptable educational standards. Murray was an External Advisor to the University of the South Pacific, the University of Hong Kong, NanYang Technological University of Singapore and the University of Papua New Guinea. He has lectured at universities in Malaysia, Hong Kong, China, Papua New Guinea, Fiji, Japan, Russia, Italy, France, Germany, USA, Canada, New Zealand, and the United Kingdom.

A considerable number of acknowledgments and distinctions have been given to Murray Wells including:

- The 1970 Endowed Lecture, The University of Adelaide, 1970
- ASA Research Lecture, The University of Melbourne, 1978
- "Hour Glass Award" for best book on accounting history published in 1978, awarded by the (US) Academy of Accounting Historians for *Accounting for Common Costs*, August 1979
- James Cusator Wards Visiting Professor, University of Glasgow, 1983
- International Distinguished Visiting Lecturer, American Accounting Association, 1986
- Arthur Andersen Gast Professor, Universitat Hohenheim, Stuttgart, 1986
- International Distinguished Visiting Lecturer, American Accounting Association, 1986

“ He was the first to draw on history and the experiences of engineers and to focus on “activities” as the basis for cost attribution – a theme which is seen in many of his publications and presentations and which was later promoted widely as Activity Based Costing. ”

- Accountant of the Year - Government & Academia, New Accountant (Australia), 1993
- Meritorious Service Award, Australian Society of Accountants, 1993
- Curtius Visiting Professor, Universitatseminar der Wirtschaft, Schloss Gracht, 1994
- Outstanding International Accounting Educator, American Accounting Association, 1995
- Deloitte Invitation Lecture, Christchurch, New Zealand, 1995
- President's Award, Australian Society of CPAs, 1995
- Outstanding International Accounting Educator, American Accounting Association, 1995
- Life Member, Australia and New Zealand Academy of Management, 2000
- Founder's Award and Life Member, International Association for Accounting Education and Research, 2002
- Life member of the AAA "In recognition of decades of dedicated service", 2007

In recognition of Murray Wells' outstanding contribution to the accounting discipline he was elected a Fellow of the Academy of the Social Sciences in Australia in 1984. In consideration of his service to the University of Sydney Murray Wells holds the title of *Emeritus Professor*.

ACKNOWLEDGMENTS



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Emeritus Professor Peter Wolnizer

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