



THE MEANINGS OF THE COMPARABILITY OF THE INFORMATION AND THEIR INFLUENCE IN THE AGGREGATION OF ACCOUNTING INFORMATION: A THEORETICAL PERSPECTIVE*

Manuel Pedro Rodríguez Bolívar

University of Granada. Department of Accounting and Finance. Faculty of Economics and Business Sciences

Juan Miguel del Cid Gómez

University of Granada. Department of Accounting and Finance. Faculty of Economics and Business Sciences

Abstract

The growing globalisation of the economy is promoting the use of the comparability of the accounting information, in its double meaning of consistency and harmony, as fundamental reason to undertake the development and reform of the different accounting systems. This impulse of accounting standardisation not only is being produced in each accounting system but also it is being transferred to the possibility of the aggregation of accounting information among the different accounting systems. So, we analyse, in the present paper, the application of this qualitative characteristic in Business Financial Accounting, Public Sector Accounting and National Accounting to obtain some conclusions regarding its similarities and differences. Besides, we will analyse the interpretation of comparability that, in our opinion, would be more adequate according to the conceptual accounting framework as well as that which could encourage the process of accounting aggregation from microaccounting to macroaccounting.

Keywords: Comparability of information, interrelations micro-macroaccounting.

INTRODUCTION

The growing globalisation of the economy is promoting the use of the comparability of the accounting information as fundamental reason to undertake the development and reform of the different accounting systems. This impulse of ac-

* This paper was accepted for publication in this special issue of *Estudos de Gestão – Portuguese Journal of Management Studies* as a result of a selection criterion that elected it as one of the most significant papers in its field, from those presented at the XIIth Jornadas de Gestão Científica, na Universidade da Beira Interior, Covilhã, Portugal. Therefore, it did not pass our ordinary double blind referee process as it happens in our regular issues.

counting standardisation not only is being produced in Financial Accounting but it is being transferred to Public Sector Accounting information and it is already traditional in National Accounting.

However, the motivation that underlies this evolution has been different in each accounting system. This can make a different interpretation of the concept of comparability in accounting systems. As it is generally acknowledged, the concept of comparability in accounting has a double meaning that, in order to remind, we reproduce. On the whole, the comparability of the accounting information can be identified with (Cañibano & Mora; 2000: p. 150):

- Harmony: it is based on the use of different accounting procedures when we recognise economic transactions in financial statements according to the environment in which they take place.
- Consistency: it suggests the use of the same accounting treatment to recognise economic transactions, independently of the environment in which they take place.

This controversy is quite linked, in a theoretical and practice foundation, with the concern and need of issuing different accounting standards or else abbreviated financial statements in accordance with the variables of the socio-economic environment to fulfil the different requirements of information. International Accounting Standards issued by IASB are a good example of the need to issue different accounting standards in different environments. On the contrary, in Spanish Financial Accounting, the concept of comparability as consistency is used and, hence, the same accounting standards are applied in all environments.

From our previous commentaries, in this article we are going to analyse the application of the qualitative characteristic of comparability to different accounting systems (Business Financial Accounting, Public Sector Financial Accounting and National Accounting). We pursue to obtain some conclusions regarding with their similarities and differences. Also, we seek to study the meaning of the concept of comparability in accounting that should be given in order to the accounting aggregation from microaccounting to macroaccounting.

1. THE COMPARABILITY IN THE BUSINESS FINANCIAL ACCOUNTING

It has been traditional to consider the ASOBAT -A Statement of Basic Accounting Theory- (1966), published by the American Accounting Association, as a starting point of the introduction of the qualitative characteristics inside a theoretical accounting system. In spite of this circumstance, it can be affirmed that

qualitative characteristics have always been included in a large part of the issued theoretical accounting pronouncements.

As examples, we can mention the followings:

- a) The third monograph of the American Accounting Association titled “An introduction to Corporate Accounting Standards” pointed out the importance of the verifiability and the objectivity in accounting information (Paton & Littleton; 1985: p. 18-21).
- b) The fifth monograph of this Accounting Association, entitled “Structure of Accounting Theory” (Littleton; 1953: p. 181), was concerned in the finding of a method to be used in the choice between two different accounting alternatives.

Anyway, the ASOBAT is considered as the first accounting pronouncement in which the consideration of this conceptual tool already appears in an explicit way under the name of “standards of financial accounting”. After issuing this statement, the theoretical accounting pronouncements already reserve a part of them to this topic that has become relevant with the implementation of the teleology program of research in accounting.

In this context, the qualitative characteristic of comparability has been broadly mentioned in the different conceptual frameworks. In fact, their presence has been traditional in the elaboration of a theoretical accounting statement (see table 1).

TABLE 1

Conceptual Accounting Frameworks in which the characteristic of comparability of the accounting information is presented

- Accounting Procedures Board (APB) number 4 (1970)
- Trueblood Report (1973)
- Corporate Report (1975)
- Financial Accounting Standards Board (FASB) (1980)
- International Accounting Standards Board (IASB) (1989)
- Australian Accounting Research Foundation (AARF) (1990)
- New Zealand Society of Accountants (NZSA) (1992)
- Ordes des Experts Comptables Financiers (OECF) (1996)
- Accounting Standards Board (ASB) (1991 and 1999)
- Spanish Association of Accounting and Business Administration (SAABA) (1999)

SOURCE: IASB (Gonzalo & Tua; 1997), FASB (1980), SAABA (1999), Institute of Chartered Accountants in England and Wales (ICAEW) (1975), Tua (1983), Martínez (1988), Bellostas (1997), Rutherford (2000), Escobar & Lucuix (1999, 2002).

Besides, in many cases, the characteristic of comparability has been highlighted as one of the main qualitative characteristics of the accounting information¹. Nowadays, the globalisation of the economy and the increasing development of capital markets has accentuated its importance, being considered as an essential figure (Van Hulle; 2001: p. 13).

Nevertheless, the concept of comparability has not always been formulated with the same meaning in the different accounting pronouncements. In this sense, while FASB (1980: p. 1045), IASB (Gonzalo & Tua; 1997: p. 110) and ASB (Rutherford; 2000: p. 44) associate the concept of comparability with the meaning of harmony, the accounting pronouncement of Spanish Association of Accounting and Business Administration (SAABA) (1999: p. 51) relates it clearly with the meaning of consistency.

Also, the European accounting regulation seems to adopt the harmony concept, when it is only imposed the adhesion to International Accounting Standards from 2005 (EC; 2000a: article 4) to the listed companies that need to consolidate its financial statements and when these companies are only forced to undergo the application of the fair value accounting (EC; 2000b: p. 2 - 3).

In view of this, initially it would be necessary to think about the reason that discriminates, in a greater measure, the use of a concrete meaning of the concept of comparability in each conceptual pronouncement. Besides we should wonder what the right meaning of comparability should be inside the logical-deductive methodology in which the paradigm of the usefulness of the accounting information is relevant to take economic decisions.

The first question could be answered easily if we observe conceptual frameworks of accounting in different areas in the world. Conceptual accounting frameworks that usually use the meaning of harmony for the concept of comparability are issued by standards setting bodies from Anglo-Saxon countries (FASB or ASB). Other entities use the meaning of harmony because they are inspired by the principles of the economic liberalism (IASB or European Commission that has approved the adoption of the IAS for the European listed companies from 2005). On the other hand, standards setting bodies, as SAABA in Spain, opt to use the meaning of consistency because they are playing their role in countries with a great tradition in the regulation of the transactions (Spain). This makes us think of the environment of the accounting standards like an explanatory factor of these differences².

¹ As examples, we can read the accounting pronouncement of IASB (Gonzalo & Tua; 1997) and the last version of the conceptual framework issued by the ASB (Rutherford; 2000).

² As Tua (2000: 172) indicates, the socio-economic environment of the accounting standards has been considered as a conceptual tool of important explanatory and predictive value. It justifies the changes of the accounting systems through the time and the space: in the time, as response to the changes of the environment and, in the space, because the discrepancies in the concepts and rules used in different countries derive mostly from the differences in the environment.

The Anglo-Saxon countries are characterised mainly by the presence of a highly developed stock market that is the main source to finance the listed companies. Their economic environment is characterised also by the competitiveness as an important aspect to obtain financing.

In this context, investors and creditors are the main users of the accounting information and standards setting bodies have issued accounting standards that have been assumed gradually through its use (generally acceptance). The objective of stewardship hasn't been of high-priority, because the supply of information to take economic decisions has been the main purpose.

Nevertheless, all companies are not in the same financial position and, in many cases, they don't have access to the same stock markets and they usually present some problems that diverge, in a great measure, from others entities.

Fair value accounting is an example of this, because it could only be appropriated for the listed companies that are involved in international stock markets, where the different financial assets have a relatively reliable value as a consequence of high volumes of transactions. On the other hand, small and medium companies don't usually have access to this type of stock markets, neither the securities that they acquire are traded in stock markets and, in case they are, it is usually too expensive to estimate their value. These reasons have made that the European Commission has proposed the application of the fair value accounting, mainly, for the listed companies (EC; 2000b).

Besides, when investors and creditors take decisions, they use the comparability of the different investment projects like a main technique to assess them, choosing the investment project that, according to the existent market conditions in the moment of taking the decision, they think it's ideal.

Finally, we agree with Tua (2000: p. 193-194) when he associates the evolution of the methodology of research and accounting systems with the economic development. So, it can be appropriate to discriminate the applicable accounting policies to the different entities taking into account their development level. Furthermore, the traditional economic effect of accounting standards makes us think in the need to maintenance the capital of the company by the applicable accounting practices.

From previous commentaries, it can be deduced that applicable accounting standards to a specific entity cannot be appropriate for others depending on the environment in which are involved. So it's necessary to apply different accounting standards under an only accounting system according to economic-financial variables of the firms. In this reasoning, the harmonic meaning of the comparability is based on the adaptation of applicable accounting policies to different entities in accordance with its previous economic homogenisation.

On the other hand, continental accounting systems have been inserted in a different economic-financial environment. In this case, the volume of trade and the international vocation of the companies have been traditionally much lower

than companies in the Anglo-Saxon area. Most of these entities are classified as small and medium companies, and they don't have need to quote in international stock markets to get financial resources to perform their operating activities, but rather the main financing sources have been loans offered by credit institutions, as well as from the provision credits.

In this context, the main users of the accounting information have been the owners (shareholders) of the firms, the commercial and financial creditors and the public administration. This situation has taken the issuance of accounting standards in the accounting systems not to be assumed by standards setting bodies but for the public administrations, initially to calculate the profits and loss of the companies to pay the tax liabilities, and later, as a way to control the economic and financial activities of the firms to protect the interests, fundamentally, of the creditors, as well as to meet the need of stewardship.

Under these circumstances, the concept of comparability has been interpreted as consistency. Therefore, some divergences among the accounting practices developed by different entities are not allowed. The comparability has focused its efforts in the accounting regulatory scheme; this is, in the application of an only collection of accounting standards, without taking into account the economic and financial characteristics of the firms or the different environments in which they are involved. In doing so, it is being allowed the knowledge of the users of the applicable accounting standards as well as the effective control of the central government in the information provided by firms.

Indeed, the accounting pattern has not recognised the existent differences among the different economic entities and it has taken an accounting entity stereotype. Only for certain industries which have obvious divergences regarding the accounting entity stereotype are allowed to apply special accounting standards, although they always attempt to be aligned with the accounting approaches admitted in the practice³.

Anyway, a convergence of the continental accounting models is taking place nowadays toward the Anglo-Saxon accounting systems. For example, it can be observed clearly in the adoption of conceptual frameworks as a essential tool to issue accounting standards as well as the effective beginning of an only process of accounting standardisation in Europe through the adoption of IAS standards for the listed companies from 2005. In summary, the harmony looks to be the appropriate meaning of the concept comparability in accounting, giving place to the so called "accounting harmonisation" that, in some cases, has not been well interpreted⁴.

³ In Spain this fact is reflected in the applicable accounting regulatory scheme to the so called "regulated industries". In these special industries a group of accounting standards have been issued different from the established one with general character. This is observed in electric, water supplies and building companies.

⁴ The Spanish General Plan of Accounting uses in its introduction the terminology «European accounting harmonisation» when it wants to make reference to the application of the same accounting practices (rules for elaboration of the financial statements and so forth) for all companies (consistency meaning that we have defined previously in our article).

In our opinion, from the point of view of the usefulness paradigm of the accounting science, the harmony meaning is better than the consistency meaning as an interpretation of the comparability in accounting. It is necessary to bear in mind that the environment of the accounting standards -regarding the economic and financial scenario as well as the users of accounting information and their needs- affects considerably to the later issuance of the accounting standards to fulfil their purpose of utility. Particular aspect will be to determine the approaches to follow in the application of different accounting standards to companies. In fact, the Statement of Principles published by the British Accounting Standards Board points out that the comparability can be achieved by means of a combination of the consistency and the disclosure of the accounting policies (Rutherford; 2000: p. 45).

Also, the harmony is consistent inside the group of firms in which accounting standards are applicable, not being true the inverse relationship.

2. THE COMPARABILITY IN PUBLIC SECTOR FINANCIAL ACCOUNTING

Firstly, although literature about qualitative characteristics of accounting information is abundant and, in most of the cases, coincident in Business Financial Accounting, in Public Sector Financial Accounting, the studies about this matter are characterised by its shortage, mainly attributed to the lack of relevance that has been attributed to the logical-deductive researching methodology. As Vela (1992: p. 183) points out, *"in the public environment, it is not up to 1987 in that the GASB publishes its Concepts Statement nº 1, with what the process of delimitation of a conceptual framework for the Public Sector Financial Accounting begins later, being limited so far only to the objectives of the information"*.

Also, the academic literature and the standards setting bodies that analyse Public Sector Financial Accounting have carried out a brief description of the qualitative characteristics of the accounting information. In fact, they have only listed qualitative characteristics and the list is not very extensive. In table 2, the qualitative characteristics that have been collected by the main standard setting bodies and authors in their pronouncements in public sector accounting can be seen.

In table 2, it can be observed how the comparability of the accounting information is not shown in all pronouncements, not even in most of them. Nevertheless, Vela (1992: p. 187) and Jones & Pendlebury (1988: p. 144) consider it an essential qualitative characteristic. Hepworth & Vass (1984: p. 38) put also emphasis on the comparability of accounting information when they point out that *"The purpose of the accounting standards is summarised, therefore, with a higher precision for the word "comparability". Many of other reasons that we see frequently adduced as support of the standards, such as the consistency and the*

TABLE 2

Qualitative characteristics of Public Sector Financial Accounting

	AAA 1979	CIPFA	NCGA Nº 1	GASB Nº 1	GLYNN 1987	JONES AND PENDLEBURY 1988	IFAC 1991	GIGA 1991	GPPSA 1994	SAABA 2001
Relevance	X	X	X	X			X	X	X	X
Completeness			X							X
Identity								X	X	X
Clarity		X	X	X			X	X	X	X
Comparability		X	X	X		X				X
Cost and benefits		X				X		X	X	X
Materiality						X	X			X
Availability		X	X							
Reliability			X				X			X
Neutrality		X						X	X	X
Objectivity					X	X		X	X	X
Verifiability				X				X	X	X
Consistency		X		X		X	X			
Representational faithfulness	X									X
Timeliness	X	X	X			X	X	X	X	X
Reasonable								X	X	X
Substance over form										X
Prudence / Conservatism										X

SOURCE: Jones & Pendlebury (1988), Henley et al. (1989), Glynn (1987), IFAC (1991), Bailey (1993), Vela (1992), GPPSA (1994), SAABA (2001) and GIGA (1991).

need of giving a smaller general interpretation of the information with each financial statement (because the accounting practice is taken as a gift), in fact it comes naturally in search of the comparability.

The comparability is also the essence of the requirement of accounting standards in the public sector“.

In our opinion, the comparability is a very important source of information not only for the management of the microaccounting public entity but also, in a similar way, for the citizens, which are one of the main users of Public Sector Accounting information in the current democratic societies⁵. So, citizens can compare the accounting information of the public sector entity where they live with the accounting information provided by other public sector entities of homogeneous characteristics at the present moment or through the time. In this way, they can have knowledge of how the resources that they have usually had to pay in a coercive way have been used.

This role of comparability in accounting could help to assess the efficiency, effectiveness and economy of the public sector services and it makes us think in the possibility of future improvement of Public Sector Financial Accounting information. In any case, in the last years, the efforts in order to the homogenisation and standardisation of public sector accounting have offered new perspectives for their fulfilment.

⁵ See Miaja & Estrada (1999: p. 115).

Once that it has just explained the need to take into account the comparability in accounting, the meaning of this concept should be analysed. From the point of view of the usefulness paradigm of the accounting science, the comparability is difficult to get in Public Sector Financial Accounting in the meaning of consistency, taking into account the specific goods and services provided by public sector entities. This could be the reason for comparability not to have been pointed out as one of the main needs by the different group of users in this accounting area (Rodríguez; 2000: p. 35).

Also, public sector entities should not provide accounting information according to an only set of accounting standards because of they usually face to environments that differ notably. The simplification of information could not be appropriate for these cases because the needs of the users to take economic decisions are not met.

Nevertheless, although public sector accounting in Spain could have finally opted for the existence of different accounting models in order to homogeneous socio-economic characteristics of public sector entities, the Plan of Public Sector Accounting has been adapted in some Accounting Instructions⁶ to the information to be supplied by the different public sector entities in lower economic areas requiring a simplified accounting model.

Nowadays, the debate for a new reform of Spanish local governmental accounting system could have opted for the harmony as a meaning of the comparability concept. Indeed, in 1999, Miaja & Estrada (1999) pointed out the possibility of different accounting models according to inhabitants and volume of approved budget in Spanish municipalities. In their purpose, there were three accounting models: the so-called "basic", "simplified" and "normal" (Miaja & Estrada; 1999). Each one of them sought to meet the needs of the users of local governmental accounting information and to be appropriate for the capacity of issuance of accounting information in municipalities, so that it was even recommended the use of different bases of accounting. This way, the entities in which the basic model is applied were going to apply a cash base of accounting. However, municipalities in that the simplified and normal model were going to apply, the full accrual base of accounting would be applicable (Miaja & Estrada; 1999: p. 121-122).

However, finally, Spanish Ministry of Finance seems to opt for the existence of three local governmental accounting systems differentiating them in the amount of the information disclosed and in the application of the single entry for smaller municipalities. Therefore, in regard to the Spanish public sector accounting at the moment, the comparability of public sector accounting information has mainly used the meaning of consistency instead of harmony.

⁶ An Accounting Instruction is a Public Sector Accounting Act necessary to adapt the General Plan of Public Sector Accounting 1994 to some public sector entities.

In conclusion, although the comparability is an essential concept in Business Financial Accounting, it still gets a higher relevance in Public Sector Accounting if we bear in mind its relevance to assess the economy, effectiveness and efficiency of the public sector services. However, some public sector accounting systems, as Public Sector Accounting in Spain, use the consistency as a meaning of the concept of comparability.

3. THE COMPARABILITY IN NATIONAL ACCOUNTING

The comparability has been traditionally considered as one of the main qualitative characteristics in this area of accounting research. From the beginning, it has been a constant concern for the national accountants. In fact, the beginnings of macroaccounting are not only associated to the determination of the national income but also to be able to make comparisons with other countries that they were in war as well as with those that potentially they could be in a future.

The most used tool to get the comparability in national accounting has been the process of accounting standardisation at international level. This standardisation has been generally accepted by national accountants and has usually been performed in the issuance of National Accounting Systems. So, the successive Systems of National Accounts issued by the Organisation of United Nations (UN) and their adaptation to the European environment through the so-called "Systems of Integrated National Accounts" (SEC), as well as the Systems of Material Product, in countries of socialist societies, constitute a good example of it⁷.

Nevertheless, the comparability in macroaccounting has not developed until half of the twentieth century. As Yanovsky (1968: p. 25) points out "*although international organisations pursue the ambitious objective of using the national accounts to make international comparisons of production and national income, it must be admitted that, taking into account the great current economic and social differences among the different countries, this will continue being only during some time an ideal. However serious intents have been made, and it would still be necessary to make more to compare the production, the rent, the consumption and the capital formation of countries in different places in the world*".

Nowadays, this standardisation has been completed by means of an approach of the main macroaccounting systems (System of National Accounts of the UN and the Systems of Material Product), narrowing drastically its differences and

⁷ In regard to estimate the macro-magnitudes, Carrasco Canals (1999: p. 58-59) points out: "*Their estimation is one of the main objectives of whatever System of National Accounts and it allows to make comparisons through the time and the localisation between the European countries since they all use the SEC*".

joining in the development of an only macroaccounting system. Different tools as the estimation of values at constant prices and the use of index figures have also been established. These make possible, in remarkable way, the comparability in accounting information. We must keep in mind that the simple use of monetary values doesn't implicate the existence of comparability⁸.

This work has encouraged the development of macroaccounting inter-entities and inter-temporal comparisons that have been carried out, in many cases, by organisations at international level⁹. These studies have allowed to find important conclusions about the different areas of growing development, underdeveloped areas and so on, allowing a better redistribution of the income and of the wealth in the whole world.

From the above-mentioned, it can be deduced that standardisation in macroaccounting has been carried out using a unique set of accounting standards for the different countries. So, the consistency meaning has been chosen as the main source of the comparability. Consistency that has been based on the issuance of a general accounting system with the promulgation of subsequent Systems of National Accounts by UN and their later concretion or specificity to the different economic areas that have not made but simplifying the accounting policies contained in the first ones or specifying and developing the general standards contained in them¹⁰.

The reasons to choose this meaning of comparability are due to questions of diverse nature: the need of one set of standards for the analysis and distribution of the different grants of organisations for the economic development of different areas in the world, the distribution of the humanitarian help on behalf of the different non-governmental organisations, the image of the economic and financial position of countries, and so forth. Anyway, in order to their comparison, it requires the existence of one set of macro-magnitudes for countries. Therefore, the needs of policies of redistribution and the knowledge of the productive systems are mainly the reasons that promote the creation of a unique set of definitions of macro-magnitudes.

We have also to consider that the application of the consistency in accounting information involves the understanding and the general acceptance by international community that the elements of social and economic-financial statements issued by the National Accounts are suitable, independently of the main socio-economic variables such as those specified by the own evolution or economic growth of the different countries, its demographic situation, geographical

⁸ As Uriel (1997: p. 155) points out, "The problem of aggregation can be solved with the use of monetary values but it does not assure the comparability of the information through the time and space".

⁹ As examples, we can observe the economic statistics made by UN and OECD.

¹⁰ The System of Integrated National Accounts (SEC 1995) is only the translation of the System of National Accounts made by UN in 1993 to the specific European environment (Eurostat; 1995: 1.24, p. 7 – 8).

localisation, and so on. This is encouraged by the character of relativity with which the macroeconomic variables are usually invested not conferring relevance, this way, to magnitudes of absolute character. As an example we can mention the rent per capita, and so forth.

4. THE PROBLEM OF THE ACCOUNTING AGGREGATION

In the previous sections we have analysed the concept of comparability in each one of the accounting areas (Business Accounting, Public Sector Financial Accounting and National Accounting). As we have already pointed out, nowadays Business Financial Accounting is betting for the harmony concept instead of the consistency concept. On the other hand, Public Sector Financial Accounting should be closer to the harmony concept, but the consistency is mainly used as consequence of the regulation of public sector services. In fact, regulation to performance public services and to use economic resources affects substantially to the accounting information issued by the public sector entities. Finally, we have just commented that National Accounting uses the consistency concept as the meaning of comparability. It was a basic consequence of the needs of policies of redistribution as well as the need of analysis of the productive processes of the different countries.

We shall proceed now to deal with the problem of accounting aggregation from microaccounting to macroaccounting. Firstly, we should wonder if the different meaning of the comparability concept in the accounting areas could avoid the harmonisation as an addition of the figures from microaccounting to macroaccounting financial statements. Also, it would be necessary to think, from a theoretical point of view, about if the comparability should make this aggregation by means of the consistency of the accounting standards.

In our opinion, to date the addition of information as a way of accounting aggregation from microaccounting to macroaccounting is disabled because an accounting consistency does not exist even inside each accounting area. Moreover, we have pointed out previously that, in our opinion, the harmony is a more coherent concept with the logical-deductive methodology than the concept of consistency. And we must keep in mind that nowadays the issuance of the accounting standards is based on this methodology.

Also, taking into consideration that accounting makes a representation of the economic and financial position of entities, the consistency as the best meaning of the concept of comparability in accounting could give place to the existence of some false views of these entities when we apply the same accounting standards to different problems. So, the entities could need the application of different accounting standards in relation to the economic-financial environment in which they are involved.

Consequently, National Accounting cannot base the aggregation of the information on the simple addition of the accounting information provided at micro-economic level, neither we think that it should carry out according to a conceptual point of view.

So, we think it would be a mistake to promote the accounting standardisation between micro and macroaccounting by means of the simple addition of microaccounting information, because we would be adding accounting information that it is not comparable and, therefore, it is not homogeneous.

At first sight it can appear that we are against the accounting aggregation from microaccounting to macroaccounting but it is not true. On the contrary, we think that not to have to make economic statistics to collect macroaccounting information is essential for a better management of the macroeconomic entities¹¹. Therefore, we are in favour of the current state of the art in accounting standardisation, although the efforts should be driven to settle clearly the necessary adjustments to transform the microaccounting into macroaccounting. The establishment of an only methodology of research in accounting (in Business Accounting, Public Sector Financial Accounting and National Accounting), which can be the issuance of a conceptual framework in National Accounting, could facilitate, in a great measure, this objective.

As a conclusion, we think that the design of a conceptual framework in National Accounting could help to get the objective of a better interrelationship among Business Accounting, Public Sector Financial Accounting and National Accounting. It could help to aggregate the information among these accounting areas because they will be based on the same logic-deductive methodology. We think that accounting will only be so more useful to take economic decisions in all social-economic environments.

5. CONCLUSIONS

In this article we have emphasised the double meaning that the concept of comparability presents as well as we have studied its adaptation, firstly, to the different accounting systems and, later, in order to support the process of accounting aggregation in National Accounting. To achieve these aims we have based our reasoning on the usefulness paradigm of accounting science and, inside this, in the use of the conceptual accounting frameworks.

In our opinion, the comparability in the meaning of harmony comes much closer to the relevance of accounting information, because an only accounting treatment is applied in homogeneous environments from an economic-financial

¹¹ However, to make economic statistics is usually nowadays in all countries.

point of view, reaching, this way, a better performance of the substance over form qualitative characteristic. On the other hand, the comparability as consistency is driven more to the centralisation and institutionalisation of the accounting regulation and it allows achieving the objective of stewardship in the different entities.

From a conceptual point of view and keeping in mind the needs of the users of the accounting information, we have observed that the meaning of the comparability concept has been different in the analysed accounting areas (Business Accounting, Public Sector Financial Accounting and National Accounting).

Anyway, under the conceptual view, we think that the comparability in its meaning of harmony is shown more coherent in the issuance of accounting standards. Therefore, we are in favour that accounting standards differ in their application to entities instead of trying to save the different economic-financial environments by means of the simplification of its accounting models of financial statements.

Regarding to the accounting aggregation, we think it would be a mistake to add the microaccounting information to issue the National Accounts, because this would suppose a consistency of the regulation in accounting in different environments and it would facilitate that the accounting information of the entities were distorting. Therefore, from a conceptual point of view, it would not fit the possibility of addition as a means of aggregation of accounting information, but rather the best option would be the establishment of a process of adjustments so that from microaccounting, the national accountants could issue the macroaccounting information.

Besides, the last reason would need that the different accounting areas used the same methodology of research so that the accounting information were issued in a coherent way, facilitating, this way, the possibility of its aggregation to issue the macroaccounting information. Therefore, it can be deduced the emphasis we put on the relevance of the study of the application of the logical-deductive methodology to National Accounting.

References

- American Accounting Association (1966): *A Statement of Basic Accounting Theory*. American Accounting Association, Sarasota, Florida.
- Bailey, L. P. (1993): *Comprehensive Governmental GAAP Guide 1993*. HBJ Professional Publishing Incorporation, Orlando, Florida, USA.
- Bellostas Pérez-Gruoso, A. J. (1997): *Accounting standardisation's tool of the XXIth century: The conceptual framework in Spain*. Institute of Accounting and Auditing, Ministry of Economy and Treasure, Madrid.
- Cañibano Calvo, L. y Mora Enguídanos, A. (2000): "Qualitative Characteristics of financial information". In Tua Pereda, J. (coor.) (2000): *Conceptual Framework for Financial Information. Analysis and commentaries*. Spanish Association of Accounting and Business Administration (SAABA), Madrid: 129 – 160.
- Carrasco Canals, F. (1999): *Fundaments of the European System of National and Regional Accounts (SEC 1995)*. Pirámide, S. A., Madrid.
- Escobar Pérez, B. y Lucuix García, I. (1999): "Conceptual Framework for Financial Information: Analysis of the OECF proposal". *Actualidad Financiera*, May: 37 – 45.
- Escobar Pérez, B. y Lucuix García, I. (2002): "Comparative analysis of the last proposals about the issuance of a Conceptual Framework for Financial Information: ASB and OECF". *Técnica Contable*, February: 125 – 143.
- European Commission (EC) (2000a): *A proposal of Regulation of the European Parliament and Council regarding to the application of International Accounting Standards*.
- European Commission (EC) (2000b): *A proposal of Directive of the European Parliament and Council*.
- Eurostat (1996): *European System of National Accounts. SEC 1995*. Office of Official Publishing of the European Communities, Luxembourg.
- FASB (1980): "Qualitative Characteristics Of Accounting Information". Statement of Financial Accounting Concepts núm. 2, Stanford, Connecticut, May. In FASB (1996): *Original Pronouncements. As of June 1995. Volume II*. John Wiley & Sons, Incorporation, Stanford, Connecticut: 1021 - 1055.
- General Intervention of the Administration of the Government (GIGA) (1991): *Document number 1. Public Accounting Principles*. Ministry of Economy and Treasure, Madrid.
- General Plan of Public Sector Accounting (GPPSA) (1994), Order of May 6th of 1994 for which the General Plan of Public Accounting is approved (BOE of May 20 and June 16).
- Glynn, J. J. (1987): *Public Sector Financial Control & Accounting*. Basil Blackwell Ltd., Oxford.
- Gonzalo Angulo, J. A. y Tua Pereda, J. (1997): *International Accounting Standards of IASB*. Institute of Comptrollers, fourth edition, Madrid.
- Henley, D.; Holtman, C.; Likierman, A. y Perrin, J. (1989): *Public Sector Accounting and Financial Control*. Chapman and Hall, Third Edition, Cornwall, Great Britain.
- Institute of Chartered Accountants in England and Wales (ICAEW) (1975): *The Corporate Report*. Accounting Standards Steering Committee, Institute of Chartered Accountants in England and Wales, London.
- International Federation Of Accountants (IFAC) (1991): *Financial Reporting by National Governments*. International Federation of Accountants, New York, USA, March.
- Jones, R. y Pendlebury, M. (1988): *Public Sector Accounting*. Pitman Publishing, Second Edition, London.
- Littleton (1953): *Structure of Accounting Theory*. Monograph number 5, American Accounting Association, Sarasota, Florida.
- Martínez Churriague, J. I. (1988): "The requisites of financial information: the proposal of FASB". In Institute of Accounting Regulation (1988): *XXV years of University Accounting in Spain*. Institute of Accounting Regulation, Ministry of Economy and Treasure, Madrid: 591 – 610.

- Miaja Fol, M. y Estrada González, E. M^a. (1999): "Perspectives of adaptation of the General Plan of Public Sector Accounting of 1994 to the municipalities". *V Workshop in Public Sector Accounting*, ASEPUC, Málaga, June: 111 – 124.
- Paton, W. A. y Littleton, A. C. (1985): *An Introduction to Corporate Accounting Standards*. Monograph number 3, American Accounting Association, 1940. Reprinted by American Accounting Association, 18th Edition, Sarasota, Florida.
- Rodríguez Bolívar, M. P. (2000): "Interrelationship micro-macroaccounting: Analysis of the users and needs of financial information". *X Luso-Espanholas Congress of Gestão Científica*, Vilamoura, Algarve, Portugal, February: 31 – 39.
- Rutherford, B. A. (2000): *An Introduction to Modern Financial Reporting Theory*. Paul Chapman Publishing Ltd., London.
- Spanish Association of Accounting and Business Administration (SAABA) (1999): *Conceptual Framework for Financial Information*. Principles Statement Number 22, SAABA, Madrid.
- Spanish Association of Accounting and Business Administration (SAABA) (2001): *Conceptual Framework for Public Sector Financial Information*. Public Sector Standards Number 1, SAABA, Madrid.
- Tua Pereda, J. (1983): *Accounting Principles and Standards*. Institute of Accounting Regulation, Ministry of Economy and Treasure, Madrid.
- Tua Pereda, J. (2000): "Accounting Principles versus basic hypothesis". In Tua Pereda, J (coord.) (2000): *Conceptual Framework for Financial Information. Analysis and commentaries*. Spanish Association of Accounting and Business Administration (SAABA), Madrid: 161 - 194.
- Uriel Jiménez, E. (1997): *National Accounting*. Ariel Economía S. A., Barcelona.
- Van Hule, K. (2001): "Financial Reporting in the EU: A difficult challenge". Summer Course in Menéndez Pelayo International University titled "The reform of the Spanish accounting in the scheme of the international accounting", Santander.
- Vela Bargas, J. M. (1992): *Public Sector Accounting Concepts and Principles*. Institute of Accounting and Auditing, Ministry of Economy and Treasure, Madrid.
- Yanovsky, M. (1968): *Anatomy of Social Accounting Systems*. RIALP S.A., Madrid.