

discussed many challenges that accounting regulatory questioned to prepare causal financial statements. According to the general understanding of this era, the problem of accounting is already attributed to its theoretical architecture and ontology. The theoretical lacks of accounting have perceived significant attention in the business literatures in terms of how to report business initiatives properly. The central premise of this era has addressed accounting as information management model with quite narrow recognition rules and reporting instruments. The old industrial logic of accounting has been recognized as problematic and need to be replaced under the pressure of business change. The core objective of these literatures was how to capture the differences of book value and make it measurable to the users in the financial statements. For the accounting literature, it was important to look for the new emergent gap between accounting and market values. Taken this fundamentally reporting issue, much of the discussion dealt with the empirical evidence of problematic measurement of business practices. In the early period of the sixties, the accountant's community has focused a great deal of interest to concept of accounting transaction. The new organizational models due to automation have created clear challenges to accounting definition of business transaction. Firmin and Linn (1968) have investigated how these models have expanded the accounting transaction concept. These new models are, introduction of information systems, changes in the organizational structure, and repaid growth in data processing technologies. Anton (1966) had explained another lack of accounting model in regard to missing integration with the planning and control systems. American Accounting Association (1966) has recognized the economic events which are not measured by accounting model such as price-level changes, employee skills

and intra-entity changes in assets values. The subsequent accounting literatures have paid visible attention on reliability of accounting information in terms of usefulness, accuracy, quality of format and reasonableness. All these research directions have initiated information technology based communication approach to enhance reliability of accounting information. In the early of the seventies, the discussions in the accounting literatures have been allocated to how to shift accounting interest from measuring transactions' data to report business value (Previts and Merino, 1999). Later, the awareness has been increased to start recognizing that the shift toward knowledge economy has altered the requirements of management, which in consequence rooted the wave of accounting lacks. The topic of accounting relevance has been of interest to both accounting and business specialists. Accounting research has been plagued by a variety of the evaluation problems that can lead one to question the extent of reliability of accounting numbers. Relevance of accounting information as a new area of critic has attracted the attention of business literature and thinkers (Burns and Stalker, 1961). The serious problem of financial statements is laid in its theoretical logic and structure. This matter has received much attention in the early literature, often in the form of discussions around validity of the accounting measurement rules. Accounting rules are key cause beyond accounting numbers' failure. As set of these rules were set up to evaluate static business transactions. These rules take out change from being recognized in the financial statements. These practices and treatments detract from the quality of financial information provided in the balance sheet. This theoretical logic of the accounting has been established five hundred years ago. This logic has been set up to match the requirements of industrial business transaction managed by machine technology (Lev, 2001).