

Accounting Practice In North Borneo: Changes Within 1881-1941¹

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Abstract

The dynamic of accounting practice as part of social system is acknowledged. It interacts with environment to respond to environmental pressure and the ever changing needs of enterprise. This has extended the understanding of accounting from a mere technical and neutral practice to a socially and politically related activity. As such efforts have been devoted to understand how accounting changed and developed over time in public and private sector. Historical investigation is getting popular in an effort whereby accounting development is narrated through societal development concerning social, economical and political phenomenon. This is particularly important in the context of public sector whereby historical aspects of accounting practice describe previous practice, explain the existing practice, and prescribe the future practice of accounting. The mobilisation of accounting practice in social, economical and political phenomena describes and provides informative and authoritative evidence on the relationship of accounting to its environment and consequently on how accounting change occurred. This could lead to a prescription, practically, on how to manage and harness accounting change. This paper presents evidence of such a claim through a historical investigation on accounting change phenomena during the colonial era in North Borneo. Such a comprehensive investigation that covers the period of 61 years (1881-1941) provides a thick description to understand the previous practice and how it influences the accounting in practice currently. Extensive review on archival documents in the Archive Department of Sabah illuminates evidence of accounting change process during the period under study.

Keywords: Accounting changes, history, North Borneo, imperialism, colonialism, British North Borneo Chartered Company.