



ISSUES FACED BY SME's DUE TO WEAK IAS AND IFRS

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Abstract

The purpose of choosing “Issues faced by the SME’s due to weak IAS and IFRS” as our topic was to give a very challenging attempt in recognizing the factors that plays a very crucial role in weakening of the IAS and IFRS and studying the IAS and IFRS in depth for our future benefits. The total time that was allotted to us to finish our project was approximately 3 months. These 3 months were really challenging and demanding for us as we had to use differently methodologies for the collection of data along with the analysing it according to our requirements. The major issues that we identified were total 8 in number; ranging from non-compliance with the standards to top confidential information that directly or indirectly breaks the rules and regulations and consequently affecting the performance of the organization as well as other related parties. The most important of these 8 issues was the inefficient valuation of the assets of Pakistan Sweet Homes. To conclude, after day and night of our hard work, we analysed that there were more than 8 issues in this organization and we generalized our this research to say that there can be more than 10 alarming issues in an organization if the International accounting standards and International financial reporting standards are not taken seriously for the accounting policies not only in terms of penalties by governing bodies but in terms of going bankrupt in future. It is therefore recommended that a proper body should be formed in Pakistan whose work is just to spread the knowledge and awareness as well as the future perspectives of IAS and IFRS in Pakistan.

CHAPTER 1. Table of Contents

CHAPTER 1.	Introduction	4
1.1	Background of Accounting and Financial reporting standards	4
1.2	Updated list of IASs and IFRS.....	6
1.3	Financial reporting framework in Pakistan.....	8
1.4	Organisation’s background.....	10
CHAPTER 2.	Problem definition and requirement analysis.....	13
2.1	List of problems related to IAS and IFRS.....	13
2.2	Techniques of data collection	15
2.3	Data Analysis.....	18
2.4	Financial statements (Estimated).....	27
2.5	Limitations of research	28
2.6	Issues in Pakistan Sweet home due to weak International accounting standards and International financial reporting standards:	29
CHAPTER 3.	Design and Implementation.....	34
CHAPTER 4.	Testing and Deployment	36
CHAPTER 5.	Future Enhancements/Action Plan.....	38
CHAPTER 6.	Conclusion.....	40
CHAPTER 7.	Appendices	42
CHAPTER 8.	References.....	43