

ISSUES FACING THE ACCOUNTANCY PROFESSION

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ABSTRACT

Accountancy has become a very prominent profession in this country. But for the last few years it seems like the profession is at a stagnant stage. Not much emphasis has been given to the identification of the issues that might hinder the development of the accountancy profession. Therefore, this study tries to identify the various issues facing the profession.

The subject matter of this study is divided into three categories i.e. financial reporting issues, current auditing issues, and other issues faced by the profession. Upon the identification of the issues, hopefully, relevant solutions could be recommended to solve these issues.

Both primary and secondary data were used. Questionnaires were used as the main source of information for this study. Secondary data were gathered from various local and international accounting magazines and journals.

From the findings, various issues were identified together with their causes and effects on the profession. All the issues were gathered into their respective group. Under the financial reporting section, the contents of the financial report and the timeliness of reporting were perceived to be the most important issues. Whereas in the current auditing issues, the enforcement of the ethical standards was thought to be

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CHAPTER 1

Introduction

This research project is one of the requirements for students undergoing an Advanced Diploma in Accountancy course at Mara Institute of Technology. A proposal on a topic related to accounting is made to the School of Accountancy for approval. Once the topic is approved, the research commenced where the findings are eventually presented in a report form. It is then submitted to the school for the final grading.

The emphasis on this report includes only a substantial amount of basic and important facts. Information on some facts are restricted only to secondary data. Hopefully, the outcome of this research will be beneficial and useful to any interested reader on this subject.

Background of Study

Accounting in developing countries plays an important role in a nation's economic development. The accountants play a role in every sector of our economy i.e. in government, in commerce and industry, in agriculture and in the financial sector.

Some serve as managers or directors responsible for the proper control and management of an organisation's funds. Some serve as preparers of financial statements of an organisation, and others as auditors who check and