

# International financial accounting standards assignment

[Business](#)



Lack of proper training and guidance program in India, postponed the process of FIRS implementation. A new system always considers value for money, so that it becomes mandatory for companies to find out cost-benefit analysis. Taxation system also impact after implementation process of FIRS in India. As we know IAS and regulatory body of each country has different set of rules so that it is a biggest hurdle of companies to adopt uniform accounting standard for whole world. FIRS simply a principle set by IAS but it not provide detailed rules to follow up. FIRS mainly focuses on presenting its financial statement and focus is very less on the users of accounting standard.

One of the biggest threats of adopting FIRS is mandatory adaptation of uniform standard for each country business but it reduce the competition from the market and without competition there is threat of monopoly. Lack of awareness between users about the international financial reporting practices. FIRS uses fair value and market value as measurement base before it asset valued as per book value . Due to this financial statement of any company impact significantly. Lack of proper data (primarily and secondary) impact the effective implementation of FIRS process. For comparison purpose FIRS need to convert historical data into market value due to this FIRS become more subjective. Coordination with different countries for FIRS implementation is a challenging task.

Stick rules effect hedge accounting process in all over the world. Lack of proper resources also effects the FIRS implementation successfully. In India and then outside India before implementing FIRS system. FIRS facilitate global investment opportunities inbound and outbound and also reduced <https://assignbuster.com/international-financial-accounting-standards-assignment/>

cost of capital. Reduce barriers to enter global market and lowered the risk associated with dual filings of accounts. FIRS provides new and enhanced services especially in the field of business process outsourcing (BOP) and professional services firms. With the help of FIRS one can conduct once-only review of financial reporting and information system for control.