

APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS IN OMAN: A WAY FORWARD TO IMPROVE THE ECONOMY OF YOUNG OMAN

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ABSTRACT

Right application of international financial reporting standards ensures that companies perform trustworthy and establish honorable commercial relationship with their stakeholders. Decent applications and practices of international financial reporting standards are vital tools as on one hand these establishes norms for best corporate administration and on the other provide effective accounting disclosures to gain trust of shareholders. The application and practice of proper international financial reporting standards is more relevant issue for good corporate management in the present competitive age as these applications maintain respectable status of a company in corporate world.

This paper attempts discussion to the approved applications and practices of international financial reporting standards in context of corporate administration and governance in Oman's scenario and that is the aim of this study. The rational of this study is to observe the scope of the application of international financial reporting standards in Oman's perspective and supports a core objective to add values by emphasizing the importance of applications and practices of IFRS for all companies operating in Oman's economy to produce authentic results based on proper financial reporting annually.

The research setting and results are based on empirical observations which make this paper a guideline for corporate entities in Oman. The outcomes show the spectrum of existing practices by audit companies for enforcement of international financial reporting standards to the corporate world to achieve a respectable level of corporate governance. The complexity raised due to different practices and applications of international financial reporting standards and Islamic standards by different entities in Oman is also discussed in this paper. A good overview related to risk analysis shows findings and its relevance that discusses policies, procedures, practices and organizational structures associated with different organizations and covers important issues identifying business objectives closely related to the applications of international financial reporting standards for the success of organizations operates in Oman.

Finally, the conclusion is designed in a manner which contributes to theoretical knowledge and imparts knowledge to professional practice and provides opportunities to the researcher to develop further research on the basis of findings to bring improvement in the economy of young Oman.

KEYWORDS: International Financial Reporting Standards, Corporate Management, Risk Analysis, Policies, Procedures, Practices. Islamic Standards