

IX. Main Deficiencies and Action Plan

Pakistan has made good progress in adopting international accounting and auditing standards. This study has identified several gaps and weaknesses that may be categorized as follows:

- Those deficiencies which are better able to be resolved with external assistance; and
- Those deficiencies that are able to be resolved without the need for external assistance.

Issue	Priority	Donor Assistance?	Country Support	2001 ~ 2005
Assisting in the feasibility study for the establishment of an accounts and audit academy at Islamabad	High	✓	✓	■■■■■■■■■■
Assisting in the development of a specific training program for accounting professors and lecturers	High	✓	✓	■■■■
Assisting a review of the asset recording system and complete fixed assets stock-take	High	✓	✓	■■■■■■■■■■
The separation of the accounts and audit functions of government	High	✗	...	■■■■■■■■
Supporting the review of all commercial laws	Medium	✓	✓	■■■
Assisting the enhancing of accounting training of institutions and accounting bodies	Medium	✓	✓	■■■■■■■■■■
The absence of an independent Pakistan Accounting Standards Board	Medium	✗	✓	■■■■■

FINANCIAL MANAGEMENT AND GOVERNANCE ISSUES IN PAKISTAN

Issue	Priority	Donor Assistance?	Country Support	2001 ~ 2005
The absence of a Public Sector Accounting Standards Board	Medium	×	✓	■■■■■
Absence of Public Sector Accounting Standards	Medium	×	✓	■■■■■■■■■■
The absence of the application of international accounting standards for unlisted companies	Medium	×	✓	■■■■■■■
The absence of effective Public Accounts Committees	Medium	×	✓	■■■■■■■
The absence of an effective internal audit function	Medium	×	✓	■■■■■■■■■
Joining the Institute of Internal Auditors	Medium	×	✓	■■■■
The amalgamation of accounting bodies into one or two organizations	Low	×	×	■■■■■
The absence of a public relations program directed at the small business person	Low	×	✓	■■■■■■■■■■