



DETERMINANTS OF ACCOUNTING SYSTEM IN SMALL AND MEDIUM ENTERPRISE

W. Percy Wijewardana

*Department of Accountancy and Finance, Faculty of Management Studies,
Rajarata University of Sri Lanka, Mihintale, Sri Lanka*

Abstract

The any country's economy is heavily dependent on the sustainable development sectors for its income, generating of employability and contributions to solve the macro economic and social issues. Although the Sri Lankan government has designed various economic diversification programs and policies, in this context the main focus has been on the introduction and enhance of the development of Small and Medium Enterprises (SMEs). The most prominent argument in favor of SMEs is that they create substantial employability opportunities as they use relatively labor-intensive technologies. SMEs invest more people per capital of investment as compared to other firms. The factors among the insignificant accounting information become more important to the role of SMEs development; the accounting system of small and medium enterprises (SMEs) has attracted much attention in recent years and has become an important topic for entrepreneur and policymakers working on poor management information of the SMEs. This interest is driven in part by the fact that SMEs formal information for the majority of firm's functions represents a significant driver of firm success. This study investigates the factors affecting to the accounting system in SMEs. Altogether internal factors such as marketing, operation and accounting services may be equally responsible to success of SMEs. Study data collection were used structured questionnaires and with a sample of sixty firms as under random sampling technique were used to select the sample, multiple regression analysis and analysis of mean variance under significance testing. Accounting system in the SMEs has significantly contributed to the information for managers to adopt optimum decision to enhance the owner's objectives.

Keywords: *Accounting Systems, Accounting Information, Entrepreneurial Successive Process, Internal Factors, Optimum Decision*

Introduction

It is often criticized and proved many economic grounds without development of the SMEs any economic system may face economic issues, minimize the issues that they attempt to promote SMEs. In the context of entrepreneurship in the SME success depends on the contributions to solve the economic issues in long and short term to become SME entrepreneurs. Moreover, because the pursuit of SME enterprise success thought successive enterprise management decision making system is an evolutionary process in which SME managers in the economy select many steps along the way, decisions made after target plan of creative idea to pessimistically evaluate the business opportunities, to pursue resources, and to design the system of exploitation also depend on the willingness of society as a whole and system to allocate the resource to increase the profit. SMEs can't be ignored throughout the economic and social expectations and this sector provides more contributions to Gross Domestic Product (GDP), it weighted significant total percentage. Accounting systems may have a strong impact on the survival and growth of SMEs. The empirical result from financial and accounting practices is secured than long term investment and financial decisions; general activities of the business firm's success depend on their decisions. Businesses failure have attributed to inability of financial manager to plan, control, and utilize assets, liabilities, income and expenditure of the firms towards enhancing the SMEs objectives. The SME



firms may face series issues and inefficiencies due to their operating condition and specific business and economic characteristics. The internal and external factors are significant aspects for SME sector. The external factors include financing economic condition, competition, government regulation, technology and environmental factors. The internal factors are managerial skills and attitude, workforce management, accounting systems and financial management practices. The result of that without the formal accounting system can't be managed those finance sources properly. As the example SMEs are obtained their funds throughout the bank loan, loan from friends as initial capital. In the economic condition and level of inflation rate is a significant aspect for SMEs. Then the inflation rate is influenced to those raw material purchases. According to the internal factors each and every SMEs have sufficient managerial skills and workforce management system. In same way the financial management practices are critical aspect of SME sector. Enterprises are different by size, sector, and motivations of their owners.

All of the management techniques which are relevant for large firms may not be appropriate for the small ones, yet some basic record keeping and financial awareness are essential for their formal accounting system. Equally Jarvis et al., (1996), reported that the financial management skills of small business are different from those large ones. They found that owner managers follow a wide range of personal and business goals which are inbuilt in the strategies which they adopt are, therefore prominent in their information systems. Formal Accounting system indicates the properly keep and maintain and report the accounting and finance functions in the SMEs. And also every SME should be maintained the systematic functions. But empirically reported most of SMEs does not maintain that formal accounting systems due to lacks of time and resources poverty. Nayak and Greenfield (1994) also reported that the key reasons for formal accounting systems are lack of time, resource and skill of small business managers. In this study is attempted to examine the level of formal accounting systems of SMEs. SME sector is main critical point is to change the economy its nature and environment is supported to the development of the economy. Capacity and resources engage in the productivity has represented by the SME sector than the other sector in the economy, SMEs businesses provide sustainable and acceptable to the economy in the whole of world.

Literature Review

Determinants of accounting system in SMEs is vitally important after introductory stage than the situation where the SMEs introductory stage. The complexity of the business operation may start in the SMEs, the volume of the sales turn to increasing, expenditure related to both operation and expansion of the business, change the attitude of employs and staff may expected than the period of initial. In this point formal rather systematic information system insisted to the SMEs. As a whole development of the SMEs is not easy task, the performance of the SMEs depend on several factors among that accounting system is to help in several ways. In this study selected to study some factors which affected to account systems in SMEs throughout the literature survey underline factors are financial management practices, skills of financial managers, business life cycle, external pressure, ownership structure, capacity level, pecking order theory concept.



Accounting System

Most of the SMEs do not keep record their daily transaction due to unimportant of accounting data usage of their managers or owners, most of the SMEs are not enough maturity stage to maintain the recordkeeping. Managing working capital may vital important SMEs than the other type firm; therefore working capital management is most significant for the SME sector management (Howorth C, Westhead, 2003). But according to the rules and business regulation accounting keeping is not mandatory requirement for SMEs, hence many of the SMEs to prepare financial statements and often to have them audited. The normal procedures are SMEs registered in Divisional Secretariat offices. Holmes and Nicholls (1998) conclude that the volume of accounting practices in SMEs is dependent on a number of operating environmental factors that include size of the business, business age and industrial grouping and benefits they gain to record keeping. According to Haryani, (2012) it is further argue that most of the owners and managers of SMEs engage public accountants to prepare required information and that owners and managers search for additional information, but only to a limited extent for getting data for decision making. In the study conclusion forwarded by Ismail and King (2007) conclude that the development of a sound accounting information system (AIS) in SMEs depends on the owners' level of accounting knowledge and their interest. Accounting is basically defined as the process of recording economic information in a significant manner in order to manage the firm resources to enhance the firm performance. Accounting practices consist of the methods and records established by management to identify, assemble, analyze, classify, record and report a firm's transactions and events to provide assurance that the objectives of internal control are being met. This is sometimes called the accounting system. It analyze, record and measures business transactions to ascertain the performance of an entity. In relation to the formal accounting it is not only accounting system but also it should be formal one. Formal accounting system means clear accounting process, accounting concepts; accounting basis and accounting controllers are included under the formal accounting system. If all the SMEs are used the accounting system, they can be avoided various issues relation to their SMEs. Basically components of formal accounting system consist with double entry system, accounting process, accounting concepts, and accounting controllers.

Empirical Literature Review

Most interest parties of financial statements in SMEs are owners, managers, tax authorities and lenders and their interest information is limited. Study findings by Olson et al., (2004) concluded that the number of users of accounting information in SMEs is increasing to include venture capitalists and customers in supply-chains. Indeed, prior research has asserted that the quality of accounting information utilized within the SME sector has a positive relationship with an entity's performance. Similarly, it has been emphasized that there is the need for financial information for small and micro business units due to the volatility associated with unstable level of cash and profit, and short-term loan. Following sections are discussed the highlighted aspects of the accounting system.

Financial Accounting Practices

Importance of financial accounting practices in the SMEs has been discussed several grounds. Olson *et al.*, (2004) argues that the accounting information users in SMEs are



increased. Another aspect of the studies claim that, in the process of planning for profit, financial information is assembled in a way that can help make informed judgment and take decisions concerning the organization (Copeland & Dascher, 1978; Bhargava, 2004). An accounting system is one of the most effective decision making tools of management. It provides an orderly method of gathering and organizing information about the various business transactions so that it may be used as an aid to management in operating the business. An emphasis is laid on the significance of keeping proper books of accounts by Biryabarema (1998) because it enables small businesses to have accurate information on which to base decisions. The study contends that, lack of proper accounting records has seen the closure of some businesses, and thus makes it a significant issue for business success. According to Pandey (1991) understanding of the cash-flows is an important because cash-flows are inseparable parts of the business operations of firms and it explains the future growing strength of the firm. Peren and Grant (2000) noted that decision making processes in small scale enterprises are more sophisticated than anticipated but they lacked effective accounting information and control system to support their decisions. Furthermore, it is noted that small and medium firms are aware of the importance of accounting information (International Federation of Accountants, 2006). In spite of this awareness, most owners of small and medium entities are not use standard formal accounting systems to run the enterprises. Underperforming of small scale enterprises in developing countries has recorded poor management and accounting systems are maintaining (Ofonagoro, 1983).

Skills & Experiences of Financial Accounting

Determinants of accounting practices depend on a number of operating environmental factors. Holmes and Nicholls (1998) explain determinants such as size of the business, business age and industrial grouping. Further they explain that SMEs use public information for decision making. On the other important implication, Ismail and King (2007) is noted that development of a sound accounting information system (AIS) in SMEs influence on the owners' level of accounting knowledge. Accounting may define it include both theoretical and technical component, understanding the information quality these two component should be determine the level of accounting knowledge. Keasy and Short (1990) and Bohman and Boter (1984) examined the small firms and accounting services engagement, study concluded that the SMEs prepare get services from small professional accounting firms as there are accounting firm. Small accounting firm service charges is less compare with the big auditing firm. The level of quality and acceptance from interest parties is less behind the big firms. Marriot and Marriot (2000) argue that the professional accountants should develop and alien their services based on the accounting and auditing standard. Evaraert et al., (2006) and Jayabalan and Dorasamy (2009) however argue that the high cost of hiring professional accountants leaves SME owner-managers with no option but to refer accounting information management.

Business Life Cycle

Business life cycle is the one of the major concept for business. Life cycle refers to the behavioral aspect of a business most commonly based on the business turnover, every business contain one section of this cycle and important aspect of this cycle is behavioral pattern of similar firm is identical. In generally four steps are included under the business life cycle. Those stages are introduction, growth, matured, declining. The



literature review section supports the argument about SMEs' lack of financial management skills using the life cycle model of Churchill and Lewis (1983) and Scott and Bruce (1987). Further, the owner managers' personal and business goals dictate the approach to financial management practices. Often small businesses life cycle are small length of life cycle with no desires for rapid growth. When SMEs are to be considered and identify the business characteristic, they can plan their strategic approach and plan according to business life cycle theory and it is an important strategic understanding to enhance the SMEs performance. As a result of most SMEs come to declining stage after few years of initiating. Further personal and business goals dictate short-term financial management of their businesses (Deakins et al., 2001; Jarvis et al., 1996; Collins and Jarvis, 2002). There is also theoretical justification that the business life cycle model lends to support the evolutionary approach to financial management practices of small firms (Churchill and Lewis, 1983; Scott and Bruce, 1987; Dunn and Cheatham, 1993)

External Pressure

External pressure is the most significant bi-lateral aspect of the business world. Managers use this pressure is positive benefits on the other hand it use as negative benefits. Therefore most of the business's success or failures depend on managing the external pressure of the organization. Environmental influences, Tax constraints, Competition of substitutions are included under the external pressure of the organization. In addition to that that the volume of accounting practices in SMEs is dependent on a number of operating environmental factors that include size of the business, business age and industrial grouping. (Dewhurst and Burns, 1989). They further argue that most owners and managers of SMEs engage public accountants to prepare required information and that owners and managers search for additional information, but only to a limited extent. Son et al., (2006) in conformity to previous studies found out that socioeconomic and domestic factors, such as the level of economic development, the legal and regulatory system, educational and professional infrastructure, colonial heritage, and history and culture, are likely to influence the relevance of small companies' financial information (Saudagaran & Diga, 2003; Kosmala-MacLulich, Sikorska, & Gierusz, 2004; Sevic, 2004). Study conclusion has reported by Gibson et al., (2000) AISs adoption and implementation could be highly complex task in which strong managerial and strategic competences are required to achieve the best fit between the business peculiarities and the system itself and to deal with the unavoidable organizational impact induced by an AIS implementation. Both strong managerial and strategic competencies are a deficiency in SMEs and thus it results in failure to adopt AISs.

Capacity Argument

All the SMEs have different approach to accounting routines but common argument is about relevance and capacity. Capacity arguments concern about firms more along with the cycle growth of path. The growth path is important path among business life cycle. Each and every SME try to alien their business in the growth paths. Because of that reason researcher will hope to find level of capacity arguments in the selected SMEs. Berry et al., (2002) and Sathya moorthi & Sathyamoorthi, (2001). argue that there is also a relevance and capacity argument which support the view that as firms moving along the life cycle growth path, the need for accurate financial information is more felt and they start formalizing the accounting services. Boachie-Mensah et al., (2005) conducted the study in the field of small- and medium scale enterprise and suggest that it

contributes to the development of the economy. The contributions are in the form of creating employment, income, skills development, management training, capacity for self-sustaining growth and market development. Buonanno et al., (2005), suggested that business complexity as a composed factor is a weak predictor of AISs adoption, whereas just company size turns out to be a very good one. In supportive arguments has presented by Guo and Feng (2008) firm size is directly affected to the intention to be adopted accounting information technologies.

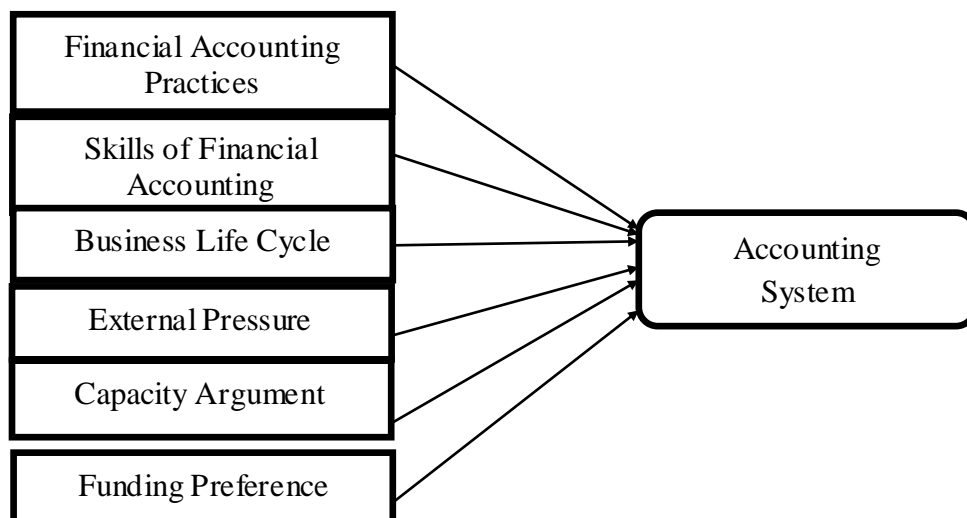
Finding Preference (Pecking Order Theory)

Funding preference its name as Pecking order theory is suggested by Donaldson in 1961 and it was modified by Myers and Majluf in 1984. This basic idea of theory is to discuss the order preference of selecting finance; first selection is internal then external. Further this theory indicates the cost of finance increases with the asymmetric information (Marfo-Yiadom, 2002). Financing can be acquired from main two sources, internal and external. SME sector, this sector depends less and less on outside capital. Bhaird and Lucey (2011) reported on the importance of profitability in financing SMEs which are consistent with Myers's pecking-order theory. Lu et al., (2005) argued that the subject to undeveloped capital market, low income of the residents and the lack of financing service agencies for SMEs generally results in relatively low equity capital.

Conceptual Framework

Conceptual framework shows the relationship and mechanism among the study variables of the research. The following diagram shows the conceptual the dependent variable is formal accounting system. The various accounting components are discussed under the formal accounting system which is double entry book keeping system, accounting process, accounting concepts, accounting basis, accounting controllers and accounting principle. There are many factors that affect in formal accounting system in SME sector. Among these factors financial accounting practice, skills of financial accounting, business life cycle, external pressure, capacity argument, funding preference are independent variables which selected for this research.

Figure: 3.1 Conceptual Frameworks



Developed by Researcher, 2017



Hypotheses

Based on the study empirical findings following hypotheses are developed.

- H₁:** Financial accounting practices of the firm significantly affect to the accounting system of the firm.
- H₂:** The owner manager’s accounting knowledge and experience significantly affect to the accounting system of the firm.
- H₃:** The stage of the business life cycle of the firm significantly affect to the accounting system of the firm.
- H₄:** The external pressure of the firm significantly affect to the accounting system of the firm.
- H₅:** Firms have sufficient capacity and owner/manager giving full commitment to the organization it significantly affects to keep the accounting system.
- H₆:** Firm’s funding preference (pecking-order theory) significantly affect to the accounting system.

Methodology

Under following section of this study discuss the methodological aspect and its included sample profile analysis, measures of variable, reliability test, descriptive and multiple regression analysis is employed. The theoretical study model can be stated as follows,

$$Y_i = \beta_0 + \beta_1 X_i + \beta_2 X_i + \beta_p X_{ip} + \sum i \text{ for } i = 1, 2, \dots, n \dots \dots \dots \text{Eq 1}$$

This empirical study model for above equation reformulated as bellow;

$$AS_i = \beta_0 + \beta_1 FAP_i + \beta_2 SFA_i + \beta_3 BLC_i + \beta_4 EXP_i + \beta_5 CAA_i + \beta_6 FUP_i + \varepsilon \dots \dots \dots \text{Eq 2}$$

Where, AS = Accounting System, β_0 = intercept, β_1 , β_2 , β_3 , β_4 , and β_5 = coefficients of the variables, FAP = Financial accounting practice, SFA = Skills of financial accounting, BLC= Business life cycle, EXP=External piracies, CAA= Capacity argument, FUP= Funding preference, and ε = error term

Sample Profile Analysis

The researcher adopted a descriptive survey design for data collection. The target population comprised all SME sector businesses in Polonnaruwa district. The researcher was collected 60 questionnaires out of 700 SMEs registered under district sectaries office of NCP. The aim was to evaluate table 3.1 categorize Small firm and large firms which are situated in the NCP. According to the International Finance Corporation SMEs are categorized by using amount of employees. In fact according to questionnaire the researcher was categorized the sample profile by using amount of employees of selected SMEs.

Table 3.1: Sample Profile Analysis

Nature of the firm	Frequency	Percentage
Small	40	66%
Medium	20	33%
Total	60	

Source: Developed by the Researcher, 2017



Reliability Test

The various multi-items are included under the structured questionnaire in respect to accounting and affecting factors of the study. Therefore study was tested reliability and validity Table 3.2 is reported Cronbach's alpha values.

Table 3.2 Reliability Test

Variable	Cronbach's Alpha	Number of Items
Financial Accounting Practices	0.881	4
Financial Accounting Skills	0.852	4
Business Life Cycle	0.770	2
External Pressure	0.815	4
Capacity Argument	0.892	2
Pecking - Order Theory	0.795	2
Formal Accounting System	0.714	4

Source: Developed by the Researcher, 2017

According to above table 3.2 shows the reliability scale for all seven dimensions according to the 3.2 table Cronbach's Alpha value of the study variables are prevailing under accepted criteria.

Result and Discussion

The main objective of the study is to analyze the effect of various factors on Formal Accounting System in SME. Several tests have been applied; summary of the results is given in Tables.

Table 4.1 Results of the correlation and multiple regressions

Variable	Correlation Coefficient	Significant value	Regression Coefficient	Significant value
Financial Accounting Practices	0.916**	0.000	0.827	0.000
Financial Accounting Skills	0.732**	0.000	0.102	0.236
Business Life Cycle	-0.166	0.103	0.163	0.672
External Pressure	0.042	0.375	0.010	0.856
Capacity Argument	0.250*	0.027	0.060	0.298
Funding Preference	-0.167	0.101	-0.160	0.677

Following section discuss the correlation analysis of the study. The correlation between financial accounting practices and accounting system is indicates strong positive significant relationship between these two variables ($r=0.916$, $p=0.000$). Among the correlation financial accounting practices are the highest value. There was a significant strongly positive relationship between financial accounting skills and accounting system ($r = 0.732$, $p=0.000$). The correlation between business life cycle and accounting system is -0.166 , indicates negative relationship between these two variables ($r= -0.166$, $p=0.103$). There was positive relationship between external pressure and accounting system ($r = 0.042$, $p = 0.375$). The significant positive correlation was for capacity



argument and accounting system ($r = 0.250$, $p = 0.027$). Finally correlation between funding preference and accounting system is indicated weak negative relationship between these two variables ($r = -0.167$, $p = 0.101$).

Based on the above multiple regression results based on the empirical study model stated as follows, the results of the regression analysis propose that it is positive and significantly financial accounting practice on the accounting system in SMEs ($\beta = 0.827$, $p = 0.000$). These results shows the H_1 is accepted, the other factors are statistically not affected on accounting system in SMEs. Further to analysis the other factors on financial system, it is positive insignificant impact financial accounting skills, business lifecycle, and external pressure on the accounting system in SMEs the parameter are reported in brackets respectively ($\beta = 0.827$, $p = 0.000$; $\beta = 0.163$, $p = 0.0672$; $\beta = 0.010$, $p = 0.856$; $\beta = 0.060$, $p = 0.298$). Capacity argument of the study negatively impact on the financial accounting in SMEs.

Conclusion and Recommendation

This study has given an insight into the conditions which support of accounting system among the SMEs in NCP. This study also carried out in order to answer what are the affecting factors to accounting system. Factors related to the accounting system is varied among the SMEs business environments, among the factors accounting practices are highly related. Any organization basically use accounting practice their day to day operations. When use accounting system, accounting skills are highly affected in this study strongly confirm. Capacity argument and external pressure are not reported the determinants of accounting system and study evident are fairly related. On the, other hand business life cycle concept and funding preference reversely affect to the account system in SMEs. This arguments shows the inconclusive understand the study of these concepts. Recommendations of this study is concerned to internal factors are constraints to enhance SMEs development, interest parties of SME ensure the strengthening and contribution to economic growth. Therefore government and local government authorities closely make their management and supervisions facilitate to enrich in the SMEs and to answer the critical issues pertaining the SME. Under the accounting aspect it is advisable to hire a qualified accountant at the initial stage, recruit competent accounting technicians who can independently keep accurate and complete books of accounts. In this process government can play role of facilitator in this services. Further, SMEs ensure the adaptation of good financial management practices and financial management core concept is vital and enhancing drivers of SME developments, therefor government urge to need the role play facility of this kind of practices because SMEs still face the dearth of financial and higher administrative cost.



References

- Berry, T., Sweeting, B., Goto, J., & Taylor, M. (2002). *Financial Management Practice amongst SMEs*. Manchester Metropolitan University.
- Bhargava, S. (2004). Developing competitive advantage through SMEs to face WTO regime. *Journal of the Chartered Institute of Chartered Accountants, India* , 176-187.
- Biryabarema, E. (1998). *Small scale Business and Commercial Banks in Uganda*. Makerere University Press.
- Boachie - Mensah, F. O., & Marfo - Yiadom, E. (2005). *Enterprenership and Small Business management*. Ghana: Ghana University Press.
- Bohman, H., & Boter, H. (1984). *Planning in small and medium - sized firms - The challenges and premises of the strategic planning*.
- Buonanno, G., Faverio, P., Pigni, F., Ravarini, A., Sciuto, D., & Tagliavini, M. (2005). Factors affecting ERP system adoption: A comparative analysis between SMEs and large companies. *Journal of Enterprise Information Management* , 384-426.
- Churchill, N., & Lewis, V. (1983). The five stages of small business growth. *Harvard Business Review*, May - June , 30 - 49.
- Collis, J., & Jarvis, R. (2002). Financial information and the management of small private companies. *Journal of Small Business and Enterprise Development* , 100-110.
- Commission, E. (2008). Enterprise and Industry Directorate - General: Final Report of the expert Group: Accounting System for small enterprises - Recommendations and good Practices . Brussels: European Commission.
- Commission, E. (2003). The definition of micro, small and medium-sized enterprises (2003/361/EC). *Official Journal of European Union* , 36.
- Deakins, D., Logan, D., & Steel, L. (2001). *The Financial Management of the Small Enterprise*. London: The Association of Chartered Certified Accountants .
- Gibson, N, Holland, C.P., Light, & B. (2000). Enterprise resource planning: a business approach to systems development. 32nd Hawaii International Conference on System Sciences, Maui, HI, IEEE Computer Society Press, Loss Alamitos , 1-9.
- Guo, J., & Feng, X. (2008). The Adoption of Accounting Information Technology in SMEs in West China. *MIS Quarterly* , 319-340.
- Haryani, E. (2012). Accounting System For Small Business In Indonesia (Case Study Convection Business In Tingkir Lor Village). *Journal of Arts, Science & Commerce*, Vol - III
- Holmes, S., & Nicholls, D. (2003). Modeling the accounting information requirements of small businesses. *Accounting & Business Research*, Vol. 19 No.74 , 143-50.
- Jarvis, R., Kitching, J., Curran, J., & Lightfoot, G. (1996). Performance measures and small firms. *Certified Accountant Journal* , 48-49.
- Jayabalan, J., & Dorasamy, M. (2009). Outsourcing of Accounting Functions amongst SME companies in Malaysia. *Accountancy Business and the public interest* 8 (2) , 96-114.
- Keasy, K., & Short, H. (1990). The accounting burdens facing small firms: An emperical research note. *Journal of Accounting and Business Research*, 20(80) , 307-319.
- Marfo-Yiadom, E. (2002). A Survey of Cash Management Practices of selected firms in Accra - Tema Metropolitan area of Ghana. *The Oguaa Journal of Social Studies*, Vol.3 , 165-182.



- Marriott, N., & Marriott, P. The provision of financial information to smaller companies by their accountant. *Information and the Small Business Conference* (pp. 351-362). Edinburgh: University of Standrews.
- Myers, S., & Majluf, N. (1984). Corporate financing and investent decisions when firms have information that investor do not have. *Journal of Financial Economics* 13 , 187-222.
- Nayak, A., & Greenfield, S. (1994). The use of management accounting information for managing in micro businesses. In: Huges A. Storey D (Eds.), *Finance and the Small Firm*. London , 182-231.
- Ofonagoro, A. O. (1983). Need for Financial Statement in Business. *Business Times* 22 .
- Olson, O., Blomskvick, M., Dergard, J., & Jonsson, C. (2004). Accounting and Entrepreneurship: A Review and Discussion of the Scientific Litreture. *4th Asia-Pacific Interdisciplinary Research in Accounting Conference*, (pp. 4-6). Singapore.
- Pandy, I. M. (1991). *Financial Management*. New Delhi: Vicas Publishing House.
- Parren, L., & Grant, P. (2000). The evolution of Management Routiness in Small Business: A social construction perspective. *Mangement Accounting Research* , 391-411.
- Sathyamoorthi, C., & Sathyamoorthi, C. R. (2001). Accounting and Control Systems in Selected Small and Micro Enterprises in Botswana. *African Journal of Finance and Management*, Vol. 10 No.1 , 96-109.
- Scott, M., & Bruce, R. (1987). Five Stages of growth in small business. *Long Range Planning*.
- Son, D. D., & Marriott, N. (2006). *Users perceptions and uses of financial reports of small and medium companies (SMCs) in transitional economies*. 218-235.

