UNIVERSITY OF SWAZILAND

DEPARTMENT OF ACCOUNTING

MAIN EXAMINATION PAPER MAY, 2006

DEGREE/DIPLOMA AND YEAR STUDY   :   BCOMM V

TITLE OF PAPER   :ACCOUNTING THEORY
   &INTERNATIONAL ACCOUNTING

COURSE CODE   :AC 506 (M) 2006

TIME ALLOWED   :THREE (3) HOURS

INSTRUCTIONS   1.   TOTAL NUMBER OF QUESTIONS ON THIS PAPER:
                          SIX (6)

                    2.   ANSWER QUESTION 1 (IT IS COMPULSORY),AND
                          AND ANY OTHER THREEQUESTIONS.THE TOTAL
                          QUESTIONS TO BE ANSWERED ARE 4 (FOUR).

                    3.   THE MARKS AWARDED FOR A QUESTION/PART
                          ARE INDICATED AT THE END OF EACH
                          QUESTION/PART OF QUESTION.

                    4.   WHERE APPLICABLE, SUBMIT ALL WORKINGS
                          AND CALCULATIONS.

NOTE: YOU ARE REMINDED THAT IN ASSESSING YOUR WORK, ACCOUNT
           WILL BE TAKEN OF ACCURACY OF THE LANGUAGE AND THE
           GENERAL QUALITY OF EXPRESSION, TOGETHER WITH THE LAYOUT
           AND PRESENTATION OF YOUR FINAL ANSWER.

SPECIAL REQUIREMENTS: NONE

THIS PAPER IS NOT BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE
INVIGILATOR.

QUESTION 1:
With an illustrated diagram,list and describe the qualitative characteristics of the financial
information.   (25 marks)

QUESTION 2:
A.   Generally explain the nature of theories.   (5 marks)
B.   With an illustration diagram describe the nature and development of accounting
        theory.Describe the deficiencies that might arise between the theory and practice.
                                                                                       (20 marks)
                                                          Total for the question (25 marks)

QUESTION 3:
List and describe the suggestions (based on decision usefulness) made for enabling financial
reporting to attain the objective of providing information useful to investors in making long
run predictions about enterprise performance.   (25 marks)

QUESTION 4:
What are the environmental factors that affect the internationalization of the accounting
discipline?   (25 marks)

QUESTION 5:
Identify and describe the several critical unresolved issues in the international auditing
environment.

                                                                                       (25 marks)

QUESTION 6:
A.   What has led to the reading and analysis of foreign financial statements?
                                                                                       (5 marks)
B.   What is the foreign business financial statements analysis framework?(20 marks)
                                            Total for the question   (25 marks)

                                  TOTAL FOR THE PAPER   (100 marks)