

UNIVERSITY OF SWAZILAND
DEPARTMENT OF ACCOUNTING
SUPPLEMENTARY PAPER JULY, 2014

DEGREE/DIPLOMA AND YEAR OF STUDY:B COM V

TITLE OF PAPER :ACCOUNTING THEORY

COURSE CODE :AC 515(S) 2014

TIME ALLOWED :THREE (3) HOURS

TOTAL MARKS :100

- INSTRUCTIONS**
1. TOTAL NUMBER OF QUESTIONS ON THIS PAPER: FIVE (5)
 2. ANSWER QUESTION 1 (IT IS COMPULSORY),AND AND ANY OTHER THREE QUESTIONS.THE TOTAL QUESTIONS TO BE ANSWERED ARE FOUR (4).
 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 TO BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR.

QUESTION 1 :

REQUIRED :

A. In Accounting Theory construction describe the descriptive, the decision usefulness, and the welfare theories.

(20 marks)

B. In accounting theory method what are potential positive and potential negative payoff of a better reporting system?

(5 marks)

TOTAL FOR THE QUESTION

(25 marks)

QUESTION 2:

REQUIRED :

Why is accounting treated as an information system?

(25 marks)

QUESTION 3:

REQUIRED :

Define and explain the various elements in the descriptive accounting theory? (25 marks)

QUESTION 4:

REQUIRED :

A. Why it is said that Internalisation of Accounting Standards is an endeavour of conflicts? (5 marks)

B. Describe the advantages of International Accounting Standards? (10 marks)

C. Describe the disadvantages of International Accounting Standards? (10 marks)

TOTAL FOR THE QUESTION

(25 marks)

QUESTION 5:

REQUIRED :

What is the scope of Corporate Social Responsibility as defined by Ernest and Ernest?

(25 marks)

TOTAL FOR THE PAPER

(100 marks)