

UNIVERSITY OF SWAZILAND
DEPARTMENT OF ACCOUNTING
SUPPLEMENTARY EXAMINATION PAPER JULY, 2011

DEGREE/DIPLOMA AND YEAR STUDY:B COM V /IDE B COM YEAR 7

TITLE OF PAPER :ACCOUNTING THEORY
&INTERNATIONAL ACCOUNTING

COURSE CODE :AC 506 (S) 2011/IDE AC506(S)2011

TIME ALLOWED :THREE (3) HOURS

- INSTRUCTIONS**
1. TOTAL NUMBER OF QUESTIONS ON THIS PAPER: FOUR (4)
 2. ANSWER ALL QUESTIONS
 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:**REQUIRED :**

How would high quality financial information be provided to the International Capital Markets?

(30 marks)

QUESTION 2 :**REQUIRED :**

- A. What is inflation, what is hyperinflation? (5 marks)
- B. What are the international consequences of coping with inflation? (5 marks)
- C. Why are financial statements potentially misleading during periods of changing prices? (5 marks)
- D. What are the types of inflation adjustments? (5 marks)
- E. What has been the response of International Accounting Standard Board to inflation and hyperinflation? (10 marks)

Total marks for the question (30 marks)

QUESTION 3 :**REQUIRED :**

What is classification and development in the International Accounting Development ? (30 marks)

QUESTION 4 :**REQUIRED :**

- A. What are elements, concepts, and procedures in the development of an Accounting Theoretical Framework? Define the terms relating to elements of an Accounting Theoretical Framework. (5 marks)
- B. What are the measurement bases applied in the measurement of elements of financial statements? (5 marks)

Total for the question (10 marks)

TOTAL FOR THE PAPER (100 marks)